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IDAHO

ECONOMIC FORECAST

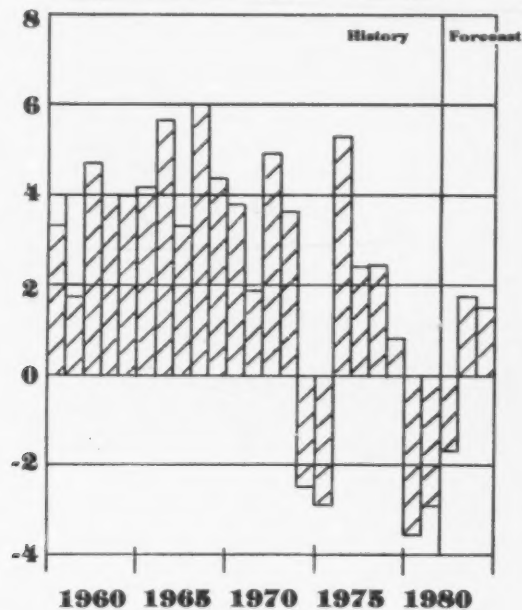
John V. Evans, Governor

Division of Financial Management

Vol. IV, No. 2
Summer 1982

- **Forecast 1982-1987**
- **Comparative Property Tax Study**
- **Implications of Data Revisions**
- **Alternative Forecasts**

The Growth of U.S. Energy Consumption
(Quadrillion Btu, percent change)



Source: Data Resources, Inc.

STATE OF IDAHO

The

IDAHO ECONOMIC FORECAST

1982—1987

JOHN V. EVANS
GOVERNOR

PREFACE

The Idaho economy has undergone rapid change in the last decade, with evidence that further change is taking place today. The State's economy shifted from the slow-growth, agrarian condition that we knew in the 1960's to a pattern of growth so rapid that by the mid-1970's Idaho was one of the fastest growing states in the U.S. in population, employment, and income. Within the last two years, however, there is evidence that the rate of growth has declined, with per capita income growth falling to well below the national average and population growth slowing down.

Probably the most notable feature of Idaho's economy is its heavy reliance on the State's natural resource base. Major industries in the State include agriculture, forestry, mining, and tourism, all of which are directly tied to the resource base. In addition, over 60% of the employment in manufacturing is in lumber, wood products, and food processing - all indirectly tied to the resource base.

This heavy dependence on natural resources, while providing Idahoans with rich and diversified employment and recreational opportunities, has also brought challenges for a changing economy and changing society. These challenges include competition between agriculture and the expanding population for water and energy, the environmental impacts of the economically important mining and forestry industries, and the pressures of a rapidly expanding population on the State's natural and economic resources. In addition, rapidly expanding employment opportunities have brought improved incomes but, at the same time, threaten to reduce the high quality of life enjoyed by residents and non-residents alike.

Much of the burden of dealing with and resolving the problems faced in the State will fall on the public sector. In order to deal effectively with these and similar problems and conflicts, public and private decisions need to be made with as thorough an understanding of the structure and workings of the State's economy as possible. It is to this end the Idaho Economic Model and this publication are directed.

The Idaho Economic Model was developed under a grant from the Pacific Northwest Regional Commission. The Division of Financial Management has been joined by the Division of Economic and Community Affairs, the Department of Health and Welfare, the Idaho Transportation Department, and the Department of Employment in the development and maximum utilization of the State's forecast system.

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INTRODUCTION

The forecast of the Idaho economy discussed in this issue is based upon the August 1982 Data Resources, Incorporated forecast of the national economy. The general trend expected for the economy is essentially the same as April's forecast but with some downward revision. A national upturn is still expected to begin in the current quarter with the economy growing slowly for the remainder of the year. Idaho's economy will not turn up at the same time the national economy does and employment should decline slowly for the rest of the year before showing an increase in 1983. For use in this forecast, all of the equations which contained state income concepts were re-estimated to incorporate the Bureau of Economic Analysis' revision of state income data back to 1969.

SURVEY

We have received approximately 80 responses from the readership survey conducted in our April Forecast and will try to incorporate the suggestions we received in future issues of the Idaho Economic Forecast. A large number of respondents indicated that they would prefer the inclusion of more graphs with the forecast narrative. Also, there were several requests for county and other sub-state level economic and demographic data. Another request concerned an expanded description of the outlook for Idaho's agricultural sector with supporting data. We will try to include as many of the suggestions we received as possible in future issues, as appropriate. Any comments concerning the content or format of the publication are welcomed.

SUBSCRIPTIONS

Subscription rates for the Idaho Economic Forecast are as follows:

Idaho State Government	No charge
Idaho Resident	\$7.50/yr
Non-Idaho Resident	\$15.00/yr

To subscribe, send appropriate payment to:

Idaho Economic Forecast
Division of Financial Management
Room 122, Statehouse
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FEATURES

In addition to the annual and quarterly forecast detail, and descriptions of the national and Idaho forecasts, this issue of the Idaho Economic Forecast contains a feature article written by Alan Dornfest, a Tax Policy Specialist with the Idaho Department of Revenue and Taxation, which presents a description of property tax burdens in Idaho counties. The study provides considerable county-level property tax information and describes some of the ways county property tax burdens vary.

Also included is an article on data revisions. The article describes some of the revisions that periodically occur to income, employment, and population data and points out some of the difficulties that result from those revisions.

In addition, this issue includes summaries of two alternative forecasts which employ different assumptions from the control or baseline forecast. Although the control forecast uses assumptions with the highest probability of occurrence, it is useful to examine the difference in outcome for various national and Idaho variables when those assumptions are changed. The alternatives presented in this issue are a stagflation scenario, in which the unstable, highly cyclical performance of the economy over the last two years continues, and an optimistic scenario, which represents a more favorable economic environment predicated on a steady improvement in the underlying inflation rate.

Historical and forecast detail is provided annually from 1970 to 1984 and quarterly from the third quarter of 1980 through 1984. The solution of the Idaho Economic Model for this forecast begins in the first quarter of 1982 with farm data forecast for all of 1981. A description of both the DRI Macro Model and the Idaho Economic Model is provided in the appendix, together with a listing of variables and equations.

Idaho Economic Model
Idaho and U. S. Summary
August 1982

Idaho Economic Model

National Variables Forecast by Data Resources, Inc.

	1982				1983					
	I	II	III	IV	I	II	81	82	83	84
Idaho Employment										
Non-Agricultural Employment	321.762	317.413	315.076	313.629	312.498	312.409	326.540	316.970	313.645	321.905
Manufacturing Employment	49.567	49.697	49.227	48.614	48.646	48.805	52.451	49.276	49.087	50.606
Lumber and Wood Products	11.643	12.537	12.417	12.348	12.299	12.358	14.921	12.286	12.386	12.639
Food Processing	17.982	17.330	17.382	17.094	17.118	17.073	16.890	17.447	17.166	17.391
Construction	17.060	15.676	15.067	14.661	14.555	14.589	16.382	15.616	14.742	15.632
Mining	3.735	3.601	3.384	3.328	3.296	3.283	4.933	3.512	3.292	3.348
Idaho Income										
Personal Income - Current Dollars	8.692	8.734	8.899	8.932	9.162	9.404	8.544	8.814	9.581	10.681
Personal Income - 72 Dollars	4.299	4.282	4.290	4.247	4.288	4.340	4.392	4.279	4.388	4.608
Per Capita Personal Income	8.977	8.986	9.120	9.118	9.318	9.527	8.912	9.050	9.686	10.632
Real Per Capita Personal Income	4.440	4.405	4.397	4.336	4.361	4.397	4.582	4.394	4.437	4.587
Wage and Salary Payments	5.074	5.060	5.104	5.174	5.295	5.412	4.919	5.103	5.486	6.073
Dividends, Interest and Rent	1.716	1.759	1.796	1.843	1.894	1.921	1.516	1.779	1.946	2.136
Other Labor Income	0.447	0.452	0.459	0.470	0.486	0.502	0.462	0.457	0.513	0.598
Transfer Payments	1.190	1.226	1.289	1.302	1.318	1.339	1.150	1.252	1.359	1.455
Selected Idaho Variables										
Housing Starts (Thousands)	1.092	1.129	1.278	1.494	1.777	2.044	3.464	1.248	2.139	2.904
Hourly Earnings in Manufacturing (\$)	8.478	8.681	8.832	8.980	9.140	9.298	8.240	8.743	9.384	10.131
Average Annual Wage (\$Thousands)	15.768	15.940	16.200	16.498	16.944	17.323	15.069	16.102	17.488	18.860
Population	0.968	0.972	0.976	0.980	0.983	0.987	0.959	0.974	0.989	1.005
Selected National Variables										
Real GNP (\$Trillions)	1.471	1.477	1.484	1.497	1.505	1.516	1.503	1.482	1.526	1.592
Final Sales (\$trillions)	3.031	3.067	3.125	3.184	3.238	3.307	2.917	3.102	3.354	3.710
Unemployment Rate	8.767	9.467	9.623	9.278	9.129	9.005	7.625	9.284	8.815	7.941
Consumer Price Index	2.836	2.868	2.930	2.973	3.023	3.067	2.724	2.902	3.091	3.293
Hourly Compensation Index	1.508	1.534	1.560	1.586	1.615	1.643	1.438	1.547	1.658	1.788
Prime Rate	16.270	16.500	15.256	14.987	15.988	15.335	18.870	15.753	15.330	14.099
Mortgage Rate, New Homes	15.347	15.720	15.165	14.978	15.101	14.408	14.743	15.302	14.373	13.456
Housing Starts (Millions)	0.920	0.956	1.057	1.167	1.156	1.310	1.100	1.025	1.324	1.594

Income concepts except as noted in billions of dollars
Division of Financial Management
8/13/82

Idaho Economic Model
Idaho and U. S. Summary - Annual Percentage Change
August 1982

Idaho Economic Model

National Variables Forecast by Data Resources, Inc.

	1982				1983					
	I	II	III	IV	I	II	81	82	83	84
Idaho Employment										
Non-Agricultural Employment	-1.1	-5.3	-2.9	-1.8	-1.4	-0.1	-1.1	-2.9	-1.0	2.6
Manufacturing Employment	-5.8	1.1	-3.7	-4.9	0.3	1.3	-1.7	-6.1	-0.4	3.1
Lumber and Wood Products	-13.7	25.6	-3.8	-2.2	-1.6	2.0	-3.3	-17.7	0.8	2.0
Food Processing	2.2	-13.7	1.2	-6.5	0.6	-1.1	-0.8	3.3	-1.6	1.3
Construction	33.2	-28.7	-14.7	-10.3	-2.9	0.9	-6.1	-4.7	-5.6	6.0
Mining	-59.9	-13.6	-22.0	-6.4	-3.8	-1.6	5.6	-28.8	-6.3	1.7
Idaho Income										
Personal Income - Current Dollars	-4.6	2.0	7.8	1.5	10.7	11.0	10.4	3.2	8.7	11.5
Personal Income - 72 Dollars	-9.0	-1.6	0.8	-4.0	3.9	4.9	1.6	-2.6	2.5	5.0
Per Capita Personal Income	-6.1	0.4	6.1	-0.1	9.0	9.3	8.8	1.6	7.0	9.8
Real Per Capita Personal Income	-10.4	-3.1	-0.7	-5.4	2.3	3.3	0.0	-4.1	1.0	3.4
Wage and Salary Payments	6.8	-1.1	3.6	5.6	9.7	9.1	10.1	3.7	7.5	10.7
Dividends, Interest and Rent	29.5	10.4	8.6	10.9	11.5	5.9	18.7	17.3	9.4	9.8
Other Labor Income	-22.1	4.2	6.8	9.5	14.4	14.2	13.3	-1.1	12.2	16.8
Transfer Payments	-9.1	12.5	22.3	4.0	5.1	6.3	13.4	8.9	8.5	7.1
Selected Idaho Variables										
Housing Starts (Thousands)	-82.4	14.2	64.0	86.8	100.2	75.1	-40.1	-64.0	71.4	35.8
Hourly Earnings in Manufacturing (\$)	3.0	9.9	7.2	6.9	7.3	7.1	9.3	6.1	7.3	8.0
Average Annual Wage (\$Thousands)	7.9	4.4	6.7	7.6	11.3	9.3	11.4	6.9	8.6	7.8
Population	1.6	1.6	1.6	1.5	1.5	1.5	1.6	1.6	1.6	1.6
Selected National Variables										
Real GNP (\$Trillions)	-5.1	1.7	2.1	3.4	2.3	2.8	1.5	-1.4	3.0	4.3
Final Sales (\$trillions)	5.6	4.8	7.8	7.8	7.0	8.7	10.8	6.3	8.1	10.6
Unemployment Rate	20.5	36.0	6.7	-13.6	-6.3	-5.3	6.4	21.8	-5.0	-9.9
Consumer Price Index	3.2	4.6	9.0	6.0	6.9	6.0	10.3	6.5	6.5	6.6
Hourly Compensation Index	8.1	7.1	6.9	6.8	7.5	7.2	10.0	7.6	7.2	7.8
Prime Rate	-16.4	5.8	-26.9	-6.9	29.5	-15.4	23.6	-16.5	-2.7	-8.0
Mortgage Rate, New Homes	-14.7	10.1	-13.4	-4.8	3.3	-17.1	16.5	3.8	-6.1	-6.4
Housing Starts (Millions)	28.0	16.4	49.3	48.9	-3.7	64.4	-15.3	-6.8	29.1	20.4

Division of Financial Management
8/13/82

NATIONAL FORECAST DESCRIPTION

ECONOMY CONTINUES TO EXHIBIT WEAKNESS

According to several measures, economic activity was still declining in June, and may also have been in July. The most widespread measure of activity, Real Gross National Product, had by the second quarter of 1982 declined to a level nearly 2% below the same quarter one year ago. Although real GNP increased at a 1.7% annual rate in the second quarter of 1982, much of that increase can be traced to a statistical adjustment. It is clear that the economy was still in a recession in June which may have continued in July. Descriptions of selected sectors of the economy are as follows:

- Domestic passenger car sales showed promise in May but fizzled in June and July. Average sales for the first half of the year was slightly over a 5.7 million unit annual rate, far below desired levels. However, financial results for the second quarter of 1982 showed positive profits for almost all domestic manufacturers. Only AMC posted a loss for that quarter.
- After reaching a 1.1 million unit annual rate in May, housing starts dropped in June to 911,000 units. The first half of 1982 saw starts average an annual rate of only 938,000 units. Although mortgage rates have declined recently, they still remain prohibitively high for home buyers.
- The national unemployment rate reached a post-World War II record of 9.8% in July, up from 9.5% in June. One encouraging aspect of the employment data, however, is the recent downward trend in initial unemployment insurance claims, which have in the past been a reliable leading indicator of employment changes. The monthly average number of claims dropped to 566,000 in June from May's 585,000 and fell to 500,000 by late July.
- The Commerce Department's composite index of leading economic indicators was unchanged in June, following two consecutive months of increase.
- Industrial production dropped another 6.7% in the second quarter of 1982, following an 11.7% annual rate of decline in the previous quarter. Increases in the production of consumer goods and defense and aerospace equipment have been offset by declines in business equipment, intermediate products, and materials.
- Although there was some resurgence in both the Consumer Price Index and the Wholesale Price Index, the first half of 1982 has seen significant improvement in inflation. From December 1981 to June of this year, consumer prices rose at an annual rate of 5.1% and prices of producer finished goods prices rose at a 2.5% rate. During the first half of 1981, those same indices were rising at annual rates of 8.8% and 9.9%, respectively.

The most recent data this far in the third quarter is mixed. Two of the more encouraging signs have been the approximately three percentage point drop in short-term interest rates and July's increase in retail sales. But, the National Association of Purchasing Management reported that its July survey did not indicate any improvement in that month. The mixed nature of the data makes it difficult to determine whether the economy worsened in July or remained level. It is relatively certain that it did not improve.

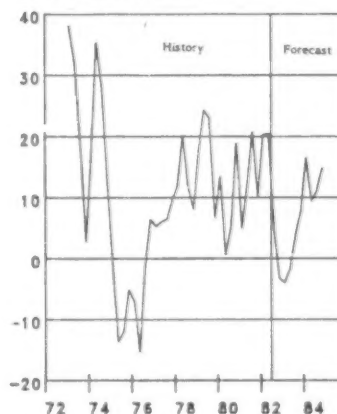
SLOW RECOVERY PROJECTED

Although it seems evident that a large upturn in economic activity is not possible, the most likely forecast shows a slow improvement beginning in the current quarter. That forecast is based in large part upon the expected increase in consumption that should result from the July 1st tax reduction and Social Security benefit increases. Consumption is expected to increase by 4.1% in the third quarter as disposable income climbs 9.2% from the \$33 billion tax cut and \$12 billion Social Security cost-of-living increases. With that consumption impetus, real GNP should grow at approximately a 2.7% annual rate over the second half of the year. Then, with increased momentum and a boost from the July 1983 tax cut, real GNP should grow by 3% in 1983 and 4.3% in 1984.

The current decline in interest rates should lend support to increased consumption this year, particularly for durable goods. Short-term interest rates have fallen approximately three percentage points and long-term rates have dropped approximately one percentage point over the past month and that trend should continue through the remainder of 1982. The rates have fallen primarily because of the continuing recession, an easing of business demands for short-term credit, and a slight relaxation of monetary policy. The M-1 measure of the money supply has dropped to within the Federal Reserve's target range, which means that the Fed may allow easier growth without losing credibility in its fight against inflation.

If inflation rates move back into the single-digit range and if the bulge in July and August in the money supply from the tax cut is not too large (to warrant a tightening of the money supply), another 1-2 percentage point decline in interest rates is possible. The trend may not be smooth due to fluctuations in the money supply and changes in loan demand as the economy shows signs of recovering, but there should be an overall downward trend. The reasons for lower interest rates by year-end include: well-behaved and even lower than expected monetary growth; lower inflation rates, on the average, with the reacceleration of early summer not likely to continue, and an easing of commercial and

Growth in Commercial and Industrial Loans: History and Forecast (Percent)



Source: Data Resources, Inc.

industrial loan demand. Over the past quarter, issues of commercial paper by nonfinancial corporations rose only 6%, compared with the 30.5% rise over the last year. Also, commercial and industrial loan growth at large banks has slowed.

Later this year, a recovering economy, more rapid monetary growth, and a large volume of Treasury financing will cause rates to rise again but with continued success controlling inflation, they should not match earlier peaks.

CONSUMPTION IS ONLY IMMEDIATE STRENGTH

With business fixed investment likely to decline for the rest of the year, any economic recovery depends upon the response by consumers to the tax cut. Recent National Income and Product Account Data Revisions indicate that over the past five years consumers have saved more and spent less than originally thought. Also, the revisions indicate that there has been a higher level of capital spending and therefore more excess capacity than suspected before. These two facts imply that any source of strength and therefore recovery will depend even more strongly on the consumer.

The consumption response in automobile purchases that was expected by some analysts appears not to have occurred in July but a response is still anticipated because there are favorable fundamental determinants of automobile demand. Also, when the tax cut was put into effect as the economy was coming out of a recession in 1975, it took two months for improvement in car sales to be clearly seen. Domestic sales should average a little over six million units for the rest of this year, seven million for 1983, and 7.9 million in 1984.

The housing industry has been damaged by high mortgage rates and a weak economic environment. With the effective mortgage commitment rate averaging 17.36 for the first half of the year and expected to drop only slowly with other rates, the outlook is for moderate improvement in housing starts to an average of 1.11 million units for the rest of the year and 1.3 million units in 1983. The possibility exists that interest rates could fall more quickly this fall than indicated in this forecast, which would provide more of a boost to starts. July's jump to a 1.2 million unit annual housing start rate was due to Department of Housing and Urban Development multi-family housing projects which should continue for a couple of months. If mortgage rates drop one or two points lower than expected here, housing could become relatively strong by year-end.

TAX LEGISLATION

This forecast assumes passage of the Senate Finance Committee tax increase package which will raise \$28 billion in 1983 and \$38 billion in 1984. From fiscal year 1983 through fiscal year 1985, the tax increases total \$103 billion which will offset approximately 23% of the 1981 Economic Recovery Tax Act. The personal tax provisions will raise approximately \$11 billion in 1983 and \$13 billion in 1984, and include increased compliance and enforcement measures such as withholding 10%

of interest and dividend payments, reduced deductions for medical expenses and casualty losses, scaled back tax benefits for contributions to corporate pension plans, a larger minimum tax, and other provisions. The corporate increases will raise \$10 billion in 1983 and \$16 billion in 1984, offsetting approximately half the cuts passed in 1981. The corporate provisions include restrictions on safe harbor leasing, accelerated tax payments, completed contract accounting, a larger minimum tax, and other provisions. Excise taxes are doubled on cigarettes and are raised for other items including telephone service and airline tickets.

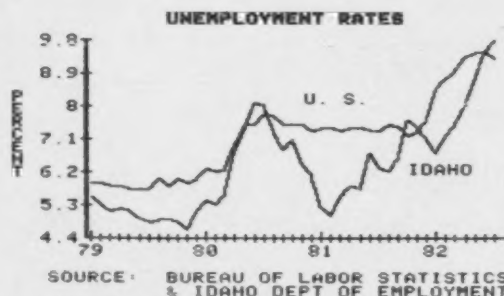
IDAHO FORECAST DESCRIPTION

EMPLOYMENT AND INCOME

The Idaho economy continued to suffer from the current recession during the first half of 1982. Idaho's unemployment rate rose steadily throughout the first two quarters of this year until matching the national rate of 9.5% of the labor force unemployed in June. July's rate dropped to 9.3% but the Idaho Department of Employment attributes that decline

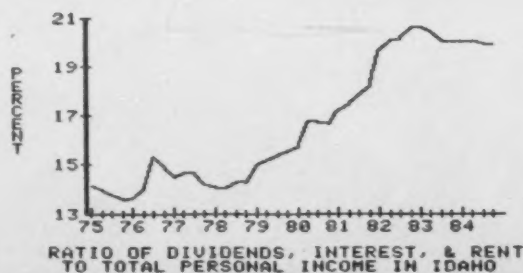
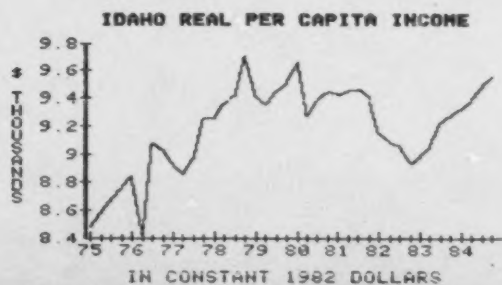
more to discouraged workers leaving the labor force than to any economic improvement.

Although inter-regional comparisons of unemployment rates are not always valid, July's unemployment rates of 16% in the Emerald Empire and 10.3% in the southeast corner of the state demonstrate the degree to which reduced economic activity is evident in some areas of the state.



Idaho's economy will not likely turn up during the present quarter, as is expected nationally, and the current forecast projects a continued slow decline in non-agricultural employment through the remainder of the year. From a level of 322,600 in the fourth quarter of 1981, non-agricultural employment should drop to approximately 312,500 in the first quarter of 1983, a level which is over 7.5% below the peak reached in 1979. Although some sectors of the Idaho economy should benefit more quickly from the July 1st stimulus, several industries which comprise a significant segment of Idaho's manufacturing base and which depend upon national demand for their products will not show an immediate increase in employment. Because the national economy will recover only slowly through the remainder of the year, there should be a lag of several months before some of the increased national demand is transformed into higher Idaho employment levels. After bottoming out in the first quarter of 1983, Idaho employment growth should be steady but unspectacular. Still, by the fourth quarter of 1984, total non-agriculture employment should reach approximately 326,900.

Personal income in Idaho shows only modest growth through 1982, increasing by 3.2%. Adjusted for inflation, personal income declines in 1982 by 2.6%. In 1983, real personal income recovers to 1981 levels before growing 5% in 1984. The dividends, interest, and rent component remains relatively constant in its share of personal income, having risen to over 20% in early 1982.



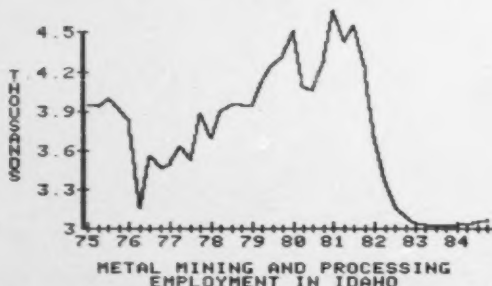
SELECTED IDAHO SECTORS

- Manufacturing - Idaho's manufacturing sector leads the decline in the remainder of the employment categories, averaging almost 3,000 fewer workers during 1982 than in 1981. A significant portion of that loss can be attributed to the closure of the Bunker Hill Mine and Smelter in Kellogg and a large consequent drop in primary metals employment between the fourth quarter of 1981 and the first quarter of 1982. But the remainder of 1982 also shows declines in manufacturing categories including lumber and wood products, stone, clay and glass and fabricated metals, and chemicals. The machinery and transportation equipment and food processing categories show slight gains in 1982.

Lumber and Wood products employment will average 17.7% below last year which was over 3% below 1980. This category's performance reflects the heavy dependence of Idaho's timber industries on new housing construction, which has been at the lowest levels since the 74-75 recession. Because housing starts should return only slowly through the second half of 1982, it will be several months before Idaho timber industries will respond by expanding employment. Although demographic conditions should be strong over the forecast period and there will be some easing of mortgage rates and improvement in real disposable income, the projected housing start average of 1.11 million units for the second half of 1982 is not large enough to be transformed into higher Idaho employment immediately. Employment in lumber and wood products industries nationally dropped by approximately the same percentage as Idaho in 1981 but does not decline as severely in 1982. This could reflect the fact that a disproportionate amount of Idaho's timber products are geared toward new housing construction rather than supplying materials for the rehabilitation and conversion work that will be occurring.

It is important to note that with Idaho's timber industries' sensitivity to new housing, a larger decline in interest rates than anticipated in this forecast and its resultant positive effect on housing could improve the state's economic picture more quickly. July housing starts jumped to a 1.2 million unit annual rate and although that jump can be attributed to the Department of Housing and Urban Development multi-family housing projects, a sustained improvement in housing would be more encouraging.

- Mining - The severity of the slump in Idaho's mining industries is demonstrated by the closure of three major operations: the Bunker Hill Mine in Kellogg, the Star Mine, and the Sunshine Mine. As a result, Idaho mining employment levels in 1982 will average almost 30% below 1981. As with timber industries, the national economy is a very important determinant in the outlook for Idaho's mining industries. The plummet of silver prices from over \$40/oz. in 1980 to the present \$6.50/oz. has had an obvious effect on Idaho metal mining.



With a general economic pickup, Idaho's mining industries should see expanded demand for their products. With a mild national upturn for the rest of the year, the forecast for Idaho mining employment is for continued decline through the middle of 1983. In the latter half of 1983 and in 1984, there should be some pick-up in mining employment.

- Construction - Idaho construction projects have been severely limited in 1981 and the first half of 1982. In 1981, an average of 16,382 workers were employed in some aspect of construction. That average should decline to approximately 15,600 this year. Some new housing construction should occur in Idaho in the remainder of the year but the change will not be enough to offset the decline in construction employment. Idaho housing starts are expected to increase for the remainder of the year and in 1983.

ALTERNATIVE FORECASTS

CONTROL

The control forecast anticipates that the increases in real GNP which began during the second quarter will continue at a very slow rate through the recovery period. Idaho, however, suffered a 5.3% loss in employment during the second quarter at annual rates, and is expected to continue losing employment at a somewhat slower pace through the middle of 1983. In those expectations, the new forecast is less optimistic, though not significantly so, than the forecast published last Spring.

Alternatives to the control forecast center on two distinctly different assumptions about the national economy. The stagflation alternative, as in the past, looks at a scenario in which the current declines in interest rates, increased consumer demand due to the tax cut, and a larger than anticipated federal deficit cause the Federal Reserve Board to retighten credit, raising interest rates and aborting the recovery. The optimistic alternative adopts the Reagan Administration assumptions supporting its mid-year budget review. Those assumptions include somewhat lower interest rates, better performance on inflation, and 4.5% growth in real GNP during the second half of 1983.

STAGFLATION

The stagflation alternative explores a scenario of continuing monetary volatility together with the impacts of tax cuts, tax increases, and rebounding inflation. In this scenario the economy grows more quickly over the next few months than in the Control forecast, at the expense of a rapidly rising money supply and more inflation, especially in wages and commodity prices. This development serves to prevent stability in the bond markets, depressing business investment and housing starts, and triggers a strong response by the Fed late in the year. In 1983 the pattern is essentially repeated, for the third time in as many years, while the economy overall slowly deteriorates. One major casualty of this scenario is the federal budget, which by fiscal 1984 runs a deficit of \$182.2 billion, considerably higher than the \$128.8 billion in the control forecast.

In Idaho, stagflation and lower housing starts nationally translate into a generally lower level of economic activity, including small actual declines real per capita income and in employment during 1983. Specifically, the stagflation scenario results in another year of major employment loss in the Idaho lumber industry rather than the small gain projected in the control version.

OPTIMISTIC

The optimistic alternative reflects a more rapid economic recovery with a stable money supply, based on continued steady improvement in the core inflation rate. Lower inflation permits higher relative investment levels with any given rate of increase in the money supply.

CONTROL AND ALTERNATIVE FORECASTS

Annual Percent Change in Real Terms

Idaho Economic Model

U. S. Forecast - Data Resources, Inc.

CONCEPT	CONTROL			STAGFLATION			OPTIMISTIC		
	1982	1983	1984	1982	1983	1984	1982	1983	1984
U.S. Population	0.7	1.0	0.9	0.9	1.0	1.0	0.9	1.0	1.0
Idaho Population	1.6	1.6	1.6	1.6	1.5	1.5	1.6	1.6	1.6
U. S. Housing Starts	-4.8	29.1	20.4	-8.2	13.7	15.1	-6.2	38.8	24.0
Idaho Housing Starts	-64.0	71.4	35.8	-64.2	53.5	49.8	-63.9	78.6	42.4
Real GNP	-1.4	3.0	4.3	-1.6	0.1	2.3	-1.2	4.0	5.1
U.S. Personal Income	1.1	2.7	3.8	1.0	1.8	2.5	1.2	3.3	4.4
Idaho Personal Income	-2.6	2.6	5.0	-2.1	1.4	3.6	-2.0	3.4	6.1
U.S. Per Capita Income	0.4	1.8	2.9	0.1	0.8	1.6	0.3	2.3	3.4
Idaho Per Capita Income	-3.5	1.0	3.4	-3.0	-0.2	2.1	-2.9	1.8	4.4
U.S. Non-Farm Prop. Income	-5.8	2.1	6.1	-6.2	-3.7	1.6	-5.5	3.9	8.1
Idaho Non-Farm Prop. Income	-19.5	4.2	8.1	-19.9	-2.0	3.3	-19.2	6.2	10.3
U.S. Property Income	6.2	4.8	4.8	6.7	6.8	4.3	6.2	5.0	5.7
Idaho Property Income	10.8	3.2	3.4	11.4	5.1	3.0	10.8	3.5	4.4
U.S. Wage & Salary Payments	-0.4	1.9	3.4	-0.5	-0.1	1.5	-0.1	2.8	4.0
Idaho Wage Payments	-2.0	1.5	4.3	-1.9	-1.1	2.1	-1.5	2.7	5.7
U.S. Average Annual Wage	0.5	0.4	0.7	0.5	0.4	0.3	0.6	0.5	1.0
Idaho Avg. Annual Wage	0.9	2.5	1.6	0.9	1.7	1.7	1.0	2.7	1.7
Consumer Price Index	6.5	6.5	6.6	6.7	7.8	7.9	6.5	5.7	4.9
Personal Consumption Deflator	5.9	6.0	6.2	6.0	6.7	7.1	5.8	5.2	4.7
Implicit GNP Deflator	6.5	6.1	6.4	6.6	6.8	7.4	6.5	5.4	5.0
U.S. Non-Ag. Employment	-0.9	1.5	2.7	-1.1	-0.5	1.2	-0.7	2.3	3.0
Idaho Non-Ag. Employment	-2.9	-1.0	2.6	-2.8	-2.8	0.4	-2.5	0.0	3.9
U.S. Manufacturing Employment	-5.6	-0.3	2.5	-5.8	-4.3	-1.2	-5.3	1.1	3.2
Idaho Mfg. Employment	-6.1	-0.4	3.1	-6.0	-3.5	-0.9	-5.7	1.1	4.5
Idaho Durable Manufacturing	-14.1	0.3	4.6	-14.2	-5.9	-3.1	-13.5	3.0	7.1
Idaho Lumber & Wood	-17.7	0.8	2.0	-17.8	-5.9	-6.6	-17.2	4.0	5.4
Idaho Non-Durables	2.8	-1.0	1.7	2.9	-1.3	1.0	2.9	-0.7	1.9
Idaho Food Processing	3.3	-1.6	1.3	3.3	-1.9	0.9	3.4	-1.4	1.6
Idaho Mining	-28.8	-6.3	1.7	-28.8	-6.6	1.5	-28.8	-6.1	1.6
U.S. Construction Employment	-5.3	0.4	4.4	-5.5	-3.4	-0.3	-4.9	2.6	6.5
Idaho Construction	-4.7	-5.6	6.0	-4.3	-8.7	1.4	-3.6	-3.3	8.4
Idaho Domestic Employment	-1.7	-0.8	2.4	-1.5	-2.2	0.6	-1.3	0.1	3.6

Division of Financial Management
8/19/82

In addition to lower inflation rates, the optimistic scenario presumes stronger productivity performance, which between them produce higher economic growth overall. Housing starts in this version rise to 1.78 million units, exceeding the control expectation by 182,000 units in 1984. For Idaho, the differences mean a fairly strong recovery in housing and construction by 1983-84, with the remainder of the economy picking up steam by 1984.

COMPARATIVE TABLE - ASSUMPTIONS

	1981	1982	1983	1984
Money Supply (M-1) (% Change)				
Control	5.0	6.2	5.4	4.6
Stagflation	—	9.9	7.4	7.2
Optimistic	—	6.6	5.6	3.9
U.S. Unemployment Rate				
Control	7.6	9.3	8.8	7.9
Stagflation	—	9.3	9.8	9.8
Optimistic	—	9.3	8.5	7.3
Prime Rate				
Control	18.87	15.75	15.33	14.10
Stagflation	—	16.47	17.84	16.79
Optimistic	—	15.66	14.31	12.34

COUNTY PROPERTY TAX BURDENS IN IDAHO

By Alan Dornfest¹

Taxes in states throughout the United States are often compared to help companies and individuals determine in which areas it may be more beneficial to locate. In addition to nationwide studies, it is important to recognize that within any given state, taxes may vary considerably from place to place. All states have property taxes with different rates, usually depending on services provided in each local area within the state.

The purpose of this report is to analyze Idaho's property taxes on a county by county basis and to determine the property tax burdens attributable to each county. In addition to variance in property tax rates between counties, economic conditions also are often different. Because of these varying conditions, the ability of the taxpayers to afford their taxes changes from area to area and the burden placed on the taxpayer varies. To fully analyze this burden, it is useful to look at the relationship between population, income, and taxes in several ways, as presented on the charts used in this study.

1980 Per Capita Income

Columns 1 and 2 on the accompanying tables indicate the estimated population and the total personal income of each county on April 1, 1980. From this information, per capita income can be calculated and counties of varying populations can be compared (columns 3-5). It is interesting to note that only one of the five highest per capita income counties has a large urban population center, while three others in the top five are almost entirely rural and represent some of the lowest population counties in the state. Three of the five counties having the lowest per capita income are clustered in the northeast corner of the state.

1980 Per Capita Property Taxes

Columns 6-8 provide the information to compare counties in terms of property tax levels and per capita property taxes. The per capita property taxes range from \$561 per person in Power County to \$131 in Idaho County. To demonstrate where an individual county's per capita taxes fall in relation to the state average, a per capita tax capacity index is derived by calculating each county's per capita property taxes as a percent of the state average of \$237. (Column 9) From this statistic, it can be seen that Blaine County, with a total per capita capacity index of 209.8, has nearly four times the per capita property tax load of Idaho County, which has an index of 55.4. Any county with an index close to 100 is one where property taxes paid per resident are about average.

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1980 PER CAPITA INCOME AND PROPERTY TAX IN IDAHO

County	(1) April 1, 1980 Popu- lation	(2) July 1, 1980 Total Personal Income (Millions \$)	(3) 1980 Per Capita Income Amount (\$)	(4) Rank	(5) % Higher or Lower Than State Average	(6) Total 1980 Property Taxes	(7) Per Capita Property Taxes Amount (\$)	(8) Rank	(9) Per Cap Tax Capac. Index (% of Average Per Capita)
Ada	173,036	1,680	9,711	4	18.5	47,957,675	277.15	12	116.9
Adams	3,347	27	7,977	17	-2.7	643,838	192.36	35	81.2
Bannock	65,421	548	8,375	13	2.2	15,903,024	243.09	16	102.6
Bear Lake	6,931	54	7,820	20	-4.6	1,950,950	281.48	11	118.8
Benewah	8,292	65	7,827	19	-4.5	2,086,301	251.60	14	106.2
Bingham	36,489	249	6,829	39	-16.7	7,672,046	210.26	25	88.7
Blaine	9,841	97	9,816	3	19.8	4,893,216	497.23	2	209.8
Boise	2,999	21	7,136	34	-12.9	685,373	228.53	20	96.4
Bonner	24,163	168	6,957	36	-15.1	4,777,209	197.71	31	83.4
Bonneville	65,980	562	8,518	12	3.9	16,044,947	243.18	15	102.6
Boundary	7,289	50	6,832	38	-16.6	1,572,949	215.80	23	91.1
Butte	3,342	25	7,600	21	-7.3	653,645	195.58	33	82.5
Camas	819	9	10,636	2	29.8	283,904	347.07	4	146.4
Canyon	83,756	633	7,552	23	-7.8	17,244,553	205.89	27	86.9
Caribou	8,695	75	8,672	10	5.8	2,713,509	312.08	10	131.7
Cassia	19,427	173	8,900	8	8.6	3,668,507	188.84	36	79.7
Clark	798	9	11,654	1	42.2	347,494	435.46	3	183.7
Clearwater	10,390	79	7,584	22	-7.5	1,926,308	185.40	37	78.2
Custer	3,385	25	7,386	29	-9.9	665,613	196.64	32	83.0
Elmore	21,565	156	7,248	32	-11.6	3,284,247	152.30	41	64.3
Franklin	8,895	61	6,802	40	-17.0	1,778,072	199.90	30	84.3
Fremont	10,813	68	6,279	42	-23.4	2,443,433	225.97	22	95.3
Gem	11,972	82	6,858	37	-16.3	1,584,596	132.36	43	55.8
Gooding	11,874	84	7,066	35	-13.8	2,374,728	199.99	29	84.4
Idaho	14,769	110	7,414	28	-9.5	1,940,100	131.36	44	55.4
Jefferson	15,304	98	6,377	41	-22.2	2,283,717	149.22	42	63.0
Jerome	14,840	119	8,012	16	-2.2	3,360,009	226.42	21	95.5
Kootenai	59,770	482	8,066	15	-1.6	13,850,414	231.73	18	97.8
Latah	28,749	227	7,885	18	-3.8	6,631,347	230.66	19	97.3
Lemhi	7,460	56	7,520	26	-8.2	1,331,674	178.51	39	75.3
Lewis	4,118	39	9,568	5	4.6	1,346,762	327.04	6	138.0
Lincoln	3,436	29	8,353	14	1.9	832,116	242.18	17	102.2
Madison	19,480	106	5,457	44	-33.4	4,173,848	214.26	24	90.4
Minidoka	19,718	148	7,521	25	-8.2	3,322,896	168.52	40	71.1
Nez Perce	33,220	314	9,449	6	15.3	10,558,808	317.84	9	134.1
Oneida	3,258	24	7,213	33	-12.0	1,114,615	342.12	5	144.4
Owyhee	8,272	49	5,948	43	-27.4	1,723,198	208.32	26	87.9
Payette	15,722	118	7,499	27	-8.5	3,162,767	201.17	28	84.9
Power	6,844	51	7,379	31	-10.0	3,838,064	560.79	1	236.6
Shoshone	19,226	179	9,305	7	13.5	6,169,623	320.90	8	135.4
Teton	2,897	22	7,525	24	-8.2	524,084	180.91	38	76.3
Twin Falls	52,927	452	8,548	11	4.3	10,268,553	194.01	34	81.9
Valley	5,604	49	8,690	9	6.0	1,812,408	323.41	7	136.5
Washington	8,803	65	7,384	30	-9.9	2,312,257	262.67	13	110.8
Statewide	943,935	7,735	8,195			223,713,397	237.00		100.0

Comparisons between counties in per capita property taxes are somewhat misleading due to the exceptionally high amount of taxes paid by utility property in certain counties. For example, in Washington and Power Counties approximately 1/4 of all property taxes are paid by utility companies. To more accurately portray comparative property taxes, columns 10-13 provide the per capita property taxes resulting from levies on real and personal property only. Even this picture is partially clouded by concentrations of mining or industrial property, such as in Shoshone (ranked 7th) and Caribou (ranked 10th) counties.

1980 Real & Personal Property Taxes Per \$1,000 of Income

To determine whether high or low property taxes in a particular area represent more of a burden to taxpayers in different counties, it is useful to relate taxes to income. This relation is provided in columns 14-16 and indicates that many counties which appeared to have high taxes on only a per capita basis do not have such high taxes when ability to pay (income) is taken into consideration. Ada, Bannock, and Twin Falls counties dropped an average of 9 places in the rank column because of higher than average income and clearly exemplify this situation.

Many of the lower per capita income counties show comparatively high tax burdens as indicated in columns 14-16. The rankings of Bingham, Franklin, Fremont, Madison, and Owyhee counties increase an average of 12 places when moving from the per capita Real and Personal Property tax measure to the property taxes per \$1,000 of income measure because of extremely low income.

It is interesting to note that although total property taxes have been virtually unchanged since 1978, the statewide average property tax per \$1,000 income has decreased 15.4% and only three counties (Bear Lake, Lincoln, and Washington) have shown any increase. This demonstrates a real increase in income since 1978 and shows that property taxes should have been less of a burden in 1980 than in 1978.

Comparative Property Tax Potential

Columns 17-22 provide the information necessary to further relate each county's real and personal property taxes to personal income. Column 19 provides the property tax rate expressed as a percent of income. The statewide average property tax rate was 2.69% of personal income in 1980.

This column also measures utilization of taxes. The term "utilization" should not be construed as a value judgement in respect to any taxing jurisdiction. No attempt is made to estimate revenue needs in any area and this term is not necessarily a measure of good or bad tax conditions. Full utilization occurs when the property taxes in any county expressed as a percent of income is equal to the state average (2.69%). Thus, the closer a state's property tax rate as a percent of income is to 2.69, the closer that county is to full utilization. Ada, Bannock, and Kootenai counties are very close to full utilization.

1980 IDAHO REAL AND PERSONAL PROP. TAX BURDEN

County	(10)	(11)	(12)	(13)	(14)	(15)	(16)
	Total Real and Personal Property Tax 1980 (\$)	Per Capita Real & Pers. Property Tax 1980 Amount (\$)	Rank	Per Capita Tax Capacity Index (% of Average per Capita)	Prp. Taxes Per Amount(\$)	Taxes Per Rank	% Change in Taxes per \$1000 Income Since 1978
Ada	45,350,632	262.09	11	119.0	26.99	20	-21.2
Adams	527,747	157.68	40	71.6	19.77	41	-7.2
Bannock	14,726,382	225.10	14	102.2	26.88	22	-9.4
Bear Lake	1,510,176	217.89	15	99.0	27.86	17	27.3
Benewah	1,978,539	238.61	12	108.4	30.49	12	-8.4
Bingham	7,074,822	193.89	24	88.1	28.39	16	-15.9
Blaine	4,675,797	475.13	1	215.8	48.40	2	-13.4
Boise	642,648	214.29	18	97.3	30.03	14	-24.8
Bonner	4,343,093	179.74	32	81.6	25.84	27	-0.1
Bonneville	15,443,797	234.07	13	106.3	27.48	19	-1.3
Boundary	1,321,191	170.56	29	77.5	26.53	23	-18.9
Butte	570,028	319.64	37	145.2	22.44	35	-0.8
Camas	261,465	194.87	4	88.5	30.05	13	-32.2
Canyon	16,321,275	271.39	23	123.3	25.80	28	-20.7
Caribou	2,359,723	180.08	10	81.8	31.30	10	-19.5
Cassia	3,498,415	340.47	31	154.6	20.23	40	-20.9
Clark	271,698	171.72	3	78.0	29.21	15	-16.9
Clearwater	1,784,185	190.95	35	86.7	22.64	34	-13.4
Custer	646,361	125.03	25	56.8	25.85	26	-14.0
Elmore	2,696,255	177.51	43	80.6	17.25	43	-5.0
Franklin	1,578,915	211.90	33	96.2	26.10	25	-13.9
Fremont	2,291,267	123.34	19	56.0	33.74	6	-17.0
Gem	1,476,625	165.29	44	75.1	17.99	42	-21.3
Gooding	1,962,667	125.29	38	56.9	23.39	31	-9.3
Idaho	1,850,461	136.67	42	62.1	16.90	44	-21.4
Jefferson	2,091,650	205.79	41	93.5	21.43	37	-21.6
Jerome	3,053,932	216.96	20	98.5	25.68	29	-21.3
Kootenai	12,967,479	216.71	16	98.4	26.90	21	-21.7
Latah	6,230,173	170.61	17	77.5	27.48	18	-10.1
Lemhi	1,272,723	314.28	36	142.7	22.69	33	-33.7
Lewis	1,294,212	180.52	6	82.0	32.85	8	-17.9
Lincoln	620,270	204.43	30	92.8	21.61	36	5.3
Madison	3,982,333	157.93	21	71.7	37.46	4	-8.2
Minidoka	3,114,156	302.06	39	137.2	21.00	39	-11.0
Nez Perce	10,034,554	319.04	9	144.9	31.97	9	-16.1
Oneida	1,039,434	185.56	5	84.3	44.23	3	-5.1
Owyhee	1,534,948	185.56	27	84.3	31.20	11	-14.0
Payette	2,968,133	188.79	26	85.7	25.18	30	-15.0
Power	2,894,837	422.97	2	192.1	57.32	1	-1.4
Shoshone	5,964,886	310.25	7	140.9	33.34	7	-19.9
Teton	502,953	173.61	34	78.8	23.07	32	-17.8
Twin Falls	9,657,943	182.48	28	82.9	21.35	38	-13.7
Valley	1,730,005	308.71	8	140.2	35.52	5	-15.6
Washington	1,717,091	195.06	22	88.6	26.42	24	1.6
Statewide	207,835,876	220.18		100.0	26.87		

Property tax capacity, shown in column 20, is defined as the amount of property tax a county would collect if its rate equalled the state average. That is, multiplying the state average property tax rate (2.69% of income) by each county's income (column 17) provides the amount of property tax a county would collect if its rate was the state average. For example, Kootenai County actually collected \$12,967,479 in property taxes. Had its rates been exactly at the state average, it would have collected \$12,953,469. Since this county collected slightly more than its tax capacity, Kootenai County slightly overutilized its property taxes (\$14,010) with respect to the state average. This amount is referred to as underutilized potential and is shown in column 21.

Counties with negative numbers in column 21 have overutilized real and personal property taxes in that they have collected these taxes at a rate higher than the state average. The degree of over- or under-utilization is expressed as a percentage in column 22. Idaho County has the lowest effective rate in the state in all measures of property tax burden where income is taken into account. This county, therefore has the greatest underutilized potential property tax, since, if its tax rates had been average, it would have collected more than one million dollars in additional property taxes. The relationship of each county's tax utilization to the state average is clearly depicted by the tax effort, or percent of tax capacity utilized, shown in column 22. Kootenai County has average tax effort (100%), while tax effort is extremely high in Power County (213.3%), where the state average tax rate would generate about \$1-1/2 million less property taxes than were actually raised.

1980 IDAHO REAL AND PERSONAL PROPERTY TAX UTILIZATION

	(17)	(18)	(19)	(20)	(21)	(22)	(23)
County	July 1, 1980 Total Personal Income (Millions \$)	Total Real and Personal Property Tax 1980 (\$)	Tax Rate as % of Income	Tax Capacity Poten. Tax Coll. (Ave. Rate X Pers. Inc.)	Underutilized Tax Effort Potential (-overutilized) (\$)	Tax Effort % of Tax Capacity Utilized	Rank
Ada	1,680.4	45,350,632	2.70	45,150,404	-200,228	100.4	20
Adams	26.7	527,747	1.98	717,398	189,651	73.6	41
Bannock	547.9	14,726,382	2.69	14,721,439	-4,943	100.0	22
Bear Lake	54.2	1,510,176	2.79	1,456,291	-53,885	103.7	17
Benewah	64.9	1,978,539	3.05	1,743,788	-234,751	113.5	12
Bingham	249.2	7,074,822	2.84	6,695,716	-379,106	105.7	16
Blaine	96.6	4,675,797	4.84	2,595,530	-2,080,267	180.1	2
Boise	21.4	642,648	3.00	574,993	-67,655	111.8	14
Bonner	168.1	4,343,093	2.58	4,516,653	173,560	96.2	27
Bonneville	562.0	15,443,797	2.75	15,100,290	-343,507	102.3	19
Boundary	49.8	1,321,191	2.65	1,338,068	16,877	98.7	23
Butte	25.4	570,028	2.24	682,469	112,441	83.5	35
Camas	8.7	261,465	3.01	233,759	-27,706	111.9	13
Canyon	632.5	16,321,275	2.58	16,994,543	673,268	96.0	28
Caribou	75.4	2,359,723	3.13	2,025,911	-333,812	116.5	10
Cassia	172.9	3,498,415	2.02	4,645,623	1,147,208	75.3	40
Clark	9.3	271,698	2.92	249,880	-21,818	108.7	15
Clearwater	78.8	1,784,185	2.26	2,117,265	333,080	84.3	34
Custer	25.0	646,361	2.59	671,721	25,360	96.2	26
Elmore	156.3	2,696,255	1.73	4,199,600	1,503,345	64.2	43
Franklin	60.5	1,578,915	2.61	1,625,565	46,650	97.1	25
Fremont	67.9	2,291,267	3.37	1,824,394	-466,873	125.6	6
Gem	82.1	1,476,625	1.80	2,205,932	729,307	66.9	42
Gooding	83.9	1,962,667	2.34	2,254,296	291,629	87.1	31
Idaho	109.5	1,850,461	1.69	2,942,138	1,091,677	62.9	44
Jefferson	97.6	2,091,650	2.14	2,622,399	530,749	79.8	37
Jerome	118.9	3,053,932	2.57	3,194,705	140,773	95.6	29
Kootenai	482.1	12,967,479	2.69	12,953,469	-14,010	100.1	21
Latah	226.7	6,230,173	2.75	6,091,167	-139,006	102.3	18
Lehi	56.1	1,272,723	2.27	1,507,342	234,619	84.4	33
Lewis	39.4	1,294,212	3.28	1,058,632	-235,580	122.3	8
Lincoln	28.7	620,270	2.16	771,136	150,866	80.4	36
Madison	106.3	3,982,333	3.75	2,856,158	-1,126,175	139.4	4
Minidoka	148.3	3,114,156	2.10	3,984,649	870,493	78.2	39
Nez Perce	313.9	10,034,554	3.20	8,434,130	-1,600,424	119.0	9
Oneida	23.5	1,039,434	4.42	631,418	-408,016	164.6	3
Owyhee	49.2	1,534,948	3.12	1,321,947	-213,001	116.1	11
Payette	117.9	2,968,133	2.52	3,167,837	199,704	93.7	30
Power	50.5	2,894,837	5.73	1,356,877	-1,537,960	213.3	1
Shoshone	178.9	5,964,886	3.33	4,806,836	-1,158,050	124.1	7
Teton	21.8	502,953	2.31	585,741	82,788	85.9	32
Twin Falls	452.4	9,657,943	2.13	12,155,465	2,497,522	79.5	38
Valley	48.7	1,730,005	3.55	1,308,513	-421,492	132.2	5
Washington	65.0	1,717,091	2.64	1,746,475	29,384	98.3	24
Statewide	7,735.3	207,835,876	2.69				

Summary of Highest and Lowest Counties

The following chart summarizes the results in the other charts by indicating the five counties that were the most extreme in each area studied. It would appear from this information that certain counties tend to have consistently higher taxes and certain others consistently lower taxes, no matter which measurement method is used. Blaine County appears in the five highest group in each study, while Elmore County is in the five lowest each time.

Summary of 5 Highest and Lowest Counties In Each Area Studied

Columns Showing Data	Area Studies	5 Highest Counties (Shown 1-5)	5 Lowest Counties (Shown 44-48)
3-5	Per Capita Income	Clark Camas Blaine Ada Lewis	Madison Owyhee Fremont Jefferson Franklin
7-8	1980 Per Capita Property Taxes	Power Blaine Clark Camas Oneida	Idaho Gem Jefferson Elmore Minidoka
11-12	1980 Per Capita Real and Personal Property Taxes	Blaine Power Clark Camas Oneida	Gem Elmore Idaho Jefferson Adams
14-16	1980 Real and Personal Property Taxes Per \$1,000 Personal Income	Power Blaine Oneida Madison Valley	Idaho Elmore Gem Adams Cassia
20	Comparative Property Tax Potential	Power Blaine Oneida Madison Valley	Idaho Elmore Gem Adams Cassia

DATA REVISIONS and ECONOMIC ANALYSIS

Those who regularly read the introduction to the Idaho Economic Forecast are aware of periodic data changes affecting the forecast. Those who attempt to compare historic data from one forecast to the next will sometimes find that historic numbers don't match. To make readers aware as much as possible of these changes, we publish each quarter a description of data revisions that affect the current forecast and the implications of those revisions.

For the most part, data revisions with which we are concerned deal with population, employment, and income data. Population data are revised on an annual basis, with usually only the prior year's estimate revised. Following a census, however, the estimated population for the prior ten years will be revised. That revision, though, may not occur for several years after the census. Revisions to both state and national data are only now being released for the 1970's, based on the 1980 census. The reasons have mainly to do with having to first revise all of the components. For that reason Data Resources, Inc., does not yet show the 1980 population according to the 1980 census. This Forecast, however, has included 1980-based Idaho and national population, births, and deaths, both historic and projected, since last Spring. We can do so because we do not deal with as yet unreleased age detail.

Employment data are usually revised once a year, for the prior year only, by the Bureau of Labor Statistics. The ultimate source is the Idaho Department of Employment for Idaho data. Occasionally data will be revised back more than one year. In 1980, the 1978 data was revised, lowering estimates of Idaho 1978 employment by 2,294 workers. Finally, the employment data is seasonally adjusted once a year by the Division of Financial Management. Changes in the seasonality of a series will cause minor changes (usually less than 100 employees) in the employment series.

The most frequently revised data deals with income. Many components of income are based on estimates rather than direct survey or measurement. Gross National Product estimates are revised six or more times as information becomes available. State and other regional data are revised less frequently, but the revisions can be substantial. Usually, other than revisions of the last quarter's data, state income estimates are revised annually in April for the prior three years. At one time, the Bureau of Economic Analysis (BEA) showed Idaho enjoying a 17% growth in personal income in the 1980 second quarter, while employment dropped at an 8% rate. Now, however, BEA shows a drop in income for Idaho during that quarter. Such changes can be more than a little bothersome when one is using the data for decision-making or projections purposes.

In December 1980, GNP revisions going back to 1929 were released (see the Introduction to IEF, Vol. III, No. 1, Spring 1981). Those revisions indicated higher GNP growth during the 1969-1979 period, and reflected higher savings and investment than was previously thought to be the case. The state annual income data revisions to match the

December 1980 National Income and Product Account (NIPA) revisions will not be available until late September 1982. In the meantime, quarterly revisions released last April show much slower income growth in Idaho during 1980 and 1981 than was previously shown. The new data, which was released just after the Spring Forecast went to press, have been fully incorporated in specifications of the Idaho Econometric Model, and are included in this issue of the Forecast. The revisions to 1929, which will be available on September 24, will be included with the Fall 1982 Forecast.

The impacts of estimates based on incomplete information vary from the trivial to the very serious. A small change in the estimate of manufacturing employment in Idaho may have only small consequence. On the other hand, current data shows that Idaho income during 1980-81 was previously shown to be as much as 12 percent higher than it actually was. That information, buttressed by large increases in income tax withholding receipts, helped lead to overestimation of revenue to the state.

The 1980 NIPA revisions, as previously mentioned, showed that during the 70's inflation was lower than previously thought, while savings and investment were higher. Now in July 1982, the Department of Commerce has released a five year revision of NIPA data showing much larger business fixed investment than previously thought, and lower housing consumption. In conjunction with that change, and in addition to the 1980 revision, the share of real GNP going to fixed business investment has been raised significantly (chart 2). The result is the striking conclusion that not only has investment not been falling during the last few years, but in fact has actually risen dramatically since 1978.

One fairly important policy implication of this revision relates to the widely held belief that capital formation should be induced through tax incentives in order to increase productivity. These data cast some doubt on that presumption and suggest that the causes of productivity declines might be found elsewhere. Possible candidates might be demographic trends, changes in the labor/energy price ratio, or the pattern of wage settlements during the 1970's.

Sometimes failure to revise a data series can have profound effects. The Consumer Price Index, that barometer of economic health by which governments have risen and fallen, has not been revised for ten years. A fixed-weight index which measures changes in a pre-determined "market basket" of goods, the CPI presumes every month that the average consumer buys the same mix of goods that he/she bought ten years ago when gasoline was 30 cents a gallon and mortgage rates were 7-8%. Clearly, energy price increases, among others, have forced changes in buying patterns, but the CPI does not recognize them. As a consequence, labor contracts, Social Security payments, and other contracts indexed to this faulty measure have risen far more in each of the last several years than was ever intended.

FORECAST DETAIL

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Quarterly 1980-1984.....Page 40

Reporting Conventions

Units of measurement are presented in the individual reports. If not otherwise given, population is in millions; income is in billions; and employment is in thousands.

The percentage change numbers given in the annual reports are simple change from period to period. Since the periods are years, they are thus simple annual changes. The numbers given in the quarterly report are at compound annual rates, following standard practice. A large change in a given quarter can seem to be exaggerated since the calculation assumes the change is compounded over the year.

Historic Data Sources

National data is provided by Data Resources Incorporated, demographic data is from the Bureau of Census, production and income is from the Bureau of Economic Analysis, employment data is from the Bureau of Labor Statistics. Agriculture data is from the U.S. Department of Agriculture.

Idaho data is primarily from the Department of Employment (employment and hourly earnings), the Bureau of Economic Analysis (income), U.S.D.A. (agricultural), the Bureau of Vital Statistics (births and deaths), and the Division of Financial Management (population and migration).

FORECAST OF THE IDAHO ECONOMY
1970 - 1987

Idaho Economic Model

August 1982

National Variables Forecast by Data Resources, Inc.
Forecast Begins the First Quarter of 1982
Farm Income Data for 1981 are Forecast

DEMOGRAPHICS

	1970	1971	1972	1973	1974	1975	1976	1977	1978
POPULATION									
IDAHO (THOUSANDS)	713.0	739.0	763.0	782.0	808.0	832.0	857.0	883.0	911.0
%CH	0.8	3.6	3.2	2.5	3.3	3.0	3.0	3.0	3.2
NATIONAL (MILLIONS)	205.1	207.7	209.9	211.9	213.9	216.0	218.0	220.2	222.6
%CH	1.1	1.3	1.1	1.0	0.9	1.0	0.9	1.0	1.1
BIRTHS									
IDAHO (THOUSANDS)	13.891	14.015	13.828	14.539	15.131	15.743	16.821	18.268	19.355
%CH	6.7	0.9	-1.3	5.1	4.1	4.0	6.8	8.6	6.0
NATIONAL (THOUSANDS)	3,739.0	3,556.0	3,258.0	3,137.0	3,160.0	3,144.0	3,163.0	3,274.0	3,304.0
%CH	3.0	-4.9	-8.4	-3.7	0.7	-0.5	0.6	3.5	0.9
DEATHS									
IDAHO (THOUSANDS)	5.892	6.140	6.114	6.290	6.238	6.219	6.326	6.448	6.487
%CH	-1.4	4.2	-0.4	2.9	-0.8	-0.3	1.7	1.9	0.6
NATIONAL (THOUSANDS)	1,927.0	1,930.0	1,965.0	1,974.0	1,935.0	1,894.0	1,914.0	1,882.0	1,944.0
%CH	-0.4	0.2	1.8	0.5	-2.0	-2.1	1.1	-1.7	3.3
MIGRATION									
IDAHO (THOUSANDS)	2.222	20.153	14.789	11.860	17.495	14.472	14.880	14.804	13.892
%CH	NA	806.8	-26.6	-19.8	47.5	-17.3	2.8	-0.5	-6.2
HOUSING									
HOUSING STARTS									
IDAHO (THOUSANDS)	3.711	7.737	7.294	6.996	7.322	8.481	10.450	13.729	10.578
%CH	NA	108.5	-5.7	-4.1	4.6	15.8	23.2	31.4	-23.0
NATIONAL (MILLIONS)	1.435	2.036	2.361	2.044	1.332	1.160	1.535	1.962	2.001
%CH	-3.5	41.9	16.0	-13.4	-34.8	-12.9	32.4	27.8	2.0
HOUSING STOCK									
IDAHO (THOUSANDS)	232.2	238.7	247.9	256.5	265.2	274.8	285.7	300.1	316.7
%CH	NA	2.8	3.8	3.4	3.4	3.6	4.0	5.1	5.5
NATIONAL (MILLIONS)	NA	NA	NA	NA	NA	NA	NA	79.960	81.415
%CH	NA	NA	NA	NA	NA	NA	NA	NA	1.8

DEMOGRAPHICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
POPULATION									
IDAHO (THOUSANDS)	933.0	943.9	958.6	973.9	989.0	1,004.5	1,020.9	1,038.3	1,056.8
%CH	2.4	1.2	1.6	1.6	1.6	1.6	1.6	1.7	1.8
NATIONAL (MILLIONS)	225.1	227.7	229.8	231.3	233.5	235.7	237.9	240.2	242.4
%CH	1.1	1.2	0.9	0.7	1.0	0.9	0.9	0.9	0.9
BIRTHS									
IDAHO (THOUSANDS)	19.913	20.140	20.262	20.452	20.769	21.095	21.438	21.804	22.192
%CH	2.9	1.1	0.6	0.9	1.6	1.6	1.6	1.7	1.8
NATIONAL (THOUSANDS)	3,382.0	3,543.0	3,733.0	3,839.0	3,904.0	3,951.0	3,998.6	4,046.7	4,095.4
%CH	2.4	4.8	5.4	2.8	1.7	1.2	1.2	1.2	1.2
DEATHS									
IDAHO (THOUSANDS)	6.386	6.753	6.836	6.954	7.030	7.109	7.193	7.281	7.374
%CH	-1.6	5.7	1.2	1.7	1.1	1.1	1.2	1.2	1.3
NATIONAL (THOUSANDS)	1,889.0	1,954.0	2,080.0	2,109.0	2,138.0	2,167.0	2,196.4	2,226.2	2,256.4
%CH	-2.8	3.4	6.4	1.4	1.4	1.4	1.4	1.4	1.4
MIGRATION									
IDAHO (THOUSANDS)	4.951	-3.013	2.121	1.659	1.441	1.763	2.469	3.313	4.077
%CH	-64.4	NM	NM	-21.8	-13.2	22.4	40.0	34.2	23.1
HOUSING									
HOUSING STARTS									
IDAHO (THOUSANDS)	8.641	5.780	3.464	1.248	2.139	2.904	3.883	4.495	5.083
%CH	-18.3	-33.1	-40.1	-64.0	71.4	35.8	33.7	15.8	13.1
NATIONAL (MILLIONS)	1.717	1.298	1.100	1.025	1.324	1.594	1.902	1.945	1.901
%CH	-14.2	-24.4	-15.3	-6.8	29.1	20.4	19.3	2.3	-2.3
HOUSING STOCK									
IDAHO (THOUSANDS)	329.0	337.8	342.8	344.7	345.3	346.7	349.1	352.4	356.4
%CH	3.9	2.7	1.5	0.5	0.2	0.4	0.7	1.0	1.1
NATIONAL (MILLIONS)	82.796	83.753	84.490	84.919	85.509	86.387	87.668	89.231	90.783
%CH	1.7	1.2	0.9	0.5	0.7	1.0	1.5	1.8	1.7

FORECAST OF THE IDAHO ECONOMY 1970 - 1987

Idaho Economic Model

November 1982

National Variables Forecast by Data Resources, Inc.
Forecast Begins the Third Quarter of 1982
Farm Income Data for 1982 are Forecast

DEMOGRAPHICS

[illegible]

DEMOGRAPHICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
POPULATION									
IDAHO (THOUSANDS)	933.0	943.9	958.6	972.5	985.5	998.8	1,012.8	1,027.6	1,043.3
%CH	2.4	1.2	1.6	1.5	1.3	1.4	1.4	1.5	1.5
NATIONAL (MILLIONS)	220.8	222.4	224.5	226.6	228.8	231.0	233.2	235.3	237.5
%CH	0.8	0.8	0.9	0.9	1.0	1.0	0.9	0.9	0.9
BIRTHS									
IDAHO (THOUSANDS)	19,919	20,140	19,488	19,523	19,795	20,075	20,368	20,680	21,010
%CH	2.9	1.1	-3.2	0.2	1.4	1.4	1.5	1.5	1.6
NATIONAL (THOUSANDS)	3,382.0	3,543.0	3,733.0	3,839.0	3,904.0	3,951.0	3,984.0	4,007.0	NA
%CH	2.4	4.8	5.4	2.8	1.7	1.2	0.8	0.6	NA
DEATHS									
IDAHO (THOUSANDS)	6,386	6,753	6,902	6,935	7,000	7,072	7,148	7,226	7,310
%CH	-1.6	5.7	2.2	0.5	0.9	1.0	1.1	1.1	1.2
NATIONAL (THOUSANDS)	1,889.0	1,954.0	2,080.0	2,109.0	2,138.0	2,167.0	2,197.0	2,226.0	2,256.0
%CH	-2.8	3.4	6.4	1.4	1.4	1.4	1.4	1.3	1.3
MIGRATION									
IDAHO (THOUSANDS)	4,943	-2,935	2,592	0,681	0,252	0,505	1,039	1,730	2,353
%CH	-64.4	NM	NM	-73.7	-63.0	100.4	106.0	66.5	36.0
HOUSING									
HOUSING STARTS									
IDAHO (THOUSANDS)	8,641	5,780	3,464	1,883	2,591	3,241	3,770	4,236	4,741
%CH	-18.3	-33.1	-40.1	-45.6	37.6	25.1	16.3	12.4	11.9
NATIONAL (MILLIONS)	1,717	1,298	1,100	1,034	1,393	1,675	1,837	1,862	1,848
%CH	-14.2	-24.4	-15.3	-6.0	34.7	20.3	9.6	1.4	-0.8
HOUSING STOCK									
IDAHO (THOUSANDS)	329.0	337.8	342.8	344.9	346.1	348.0	350.6	353.8	357.4
%CH	3.9	2.7	1.5	0.6	0.3	0.6	0.7	0.9	1.0
NATIONAL (MILLIONS)	82,796	83,753	84,490	84,919	85,532	86,508	87,826	89,345	90,877
%CH	1.7	1.2	0.9	0.5	0.7	1.1	1.5	1.7	1.7

OUTPUT, INCOME, & WAGES

	1970	1971	1972	1973	1974	1975	1976	1977	1978
GROSS NATIONAL PRODUCT(BILLIONS)									
CURRENT DOLLARS	992.7	1,077.7	1,185.9	1,326.4	1,434.2	1,549.2	1,718.0	1,918.3	2,163.8
%CH	5.2	8.6	10.0	11.8	8.1	8.0	10.9	11.7	12.8
1972 DOLLARS	1,085.6	1,122.4	1,185.9	1,254.3	1,246.3	1,231.7	1,298.2	1,369.7	1,438.5
%CH	-0.2	3.4	5.7	5.8	-0.5	-1.2	5.4	5.5	5.0
PERSONAL INCOME - CURRENT \$\$									
IDAHO(MILLIONS)	2,378.3	2,604.5	2,981.5	3,536.3	4,112.8	4,360.0	4,841.8	5,379.0	6,234.0
%CH	9.3	9.5	14.5	18.6	16.3	6.0	11.0	11.1	15.9
IDAHO NON-FARM (MILLIONS)	2,176.8	2,409.7	2,716.3	3,101.3	3,552.2	4,044.3	4,666.5	5,252.0	5,910.0
%CH	NA	10.7	12.7	14.2	14.5	13.9	15.4	12.5	12.5
NATIONAL(BILLIONS)	811.1	868.5	951.4	1,065.3	1,168.6	1,265.0	1,391.3	1,540.5	1,732.7
%CH	7.5	7.1	9.5	12.0	9.7	8.2	10.0	10.7	12.5
PERSONAL INCOME - 1972 \$\$									
IDAHO(MILLIONS)	2,571.0	2,699.9	2,982.0	3,344.0	3,532.5	3,481.0	3,676.3	3,860.8	4,183.2
%CH	4.5	5.0	10.4	12.1	5.6	-1.5	5.6	5.0	8.4
IDAHO NON-FARM (MILLIONS)	2,353.1	2,498.0	2,716.7	2,932.6	3,051.1	3,228.9	3,543.3	3,769.6	3,965.8
%CH	NA	6.2	8.8	7.9	4.0	5.8	9.7	6.4	5.2
NATIONAL(BILLIONS)	876.8	900.3	951.5	1,007.4	1,003.7	1,010.0	1,056.4	1,105.7	1,162.7
%CH	2.7	2.7	5.7	5.9	-0.4	0.6	4.6	4.7	5.2
PER CAPITA PERS. INCOME - CURRENT \$\$									
IDAHO	3,335.6	3,524.4	3,907.6	4,522.1	5,090.0	5,240.4	5,649.6	6,091.7	6,843.0
%CH	8.4	5.7	10.9	15.7	12.6	3.0	7.8	7.8	12.3
NATIONAL	3,953.6	4,190.3	4,551.3	5,058.6	5,509.2	5,917.9	6,459.7	7,095.2	7,913.4
%CH	6.3	6.0	8.6	11.1	8.9	7.4	9.2	9.8	11.5
PER CAPITA PERS. INCOME - 1972 \$\$									
IDAHO	3,605.9	3,653.5	3,908.3	4,276.2	4,371.9	4,183.9	4,289.8	4,372.3	4,591.9
%CH	3.6	1.3	7.0	9.4	2.2	-4.3	2.5	1.9	5.0
NATIONAL	4,274.0	4,343.8	4,552.2	4,783.5	4,732.0	4,724.9	4,904.9	5,092.5	5,310.1
%CH	1.6	1.6	4.8	5.1	-1.1	-0.1	3.8	3.8	4.3
AVERAGE ANNUAL WAGE									
IDAHO	6,794.3	7,043.7	7,371.6	7,809.4	8,411.6	9,289.9	10,045.5	10,746.9	11,421.3
%CH	NA	3.7	4.7	5.9	7.7	10.4	8.1	7.0	6.3
NATIONAL	7,741.3	8,158.5	8,622.5	9,151.7	9,782.2	10,479.7	11,211.1	11,921.9	12,760.7
%CH	5.6	5.4	5.7	6.1	6.9	7.1	7.0	6.3	7.0

OUTPUT, INCOME, & WAGES

	1979	1980	1981	1982	1983	1984	1985	1986	1987
GROSS NATIONAL PRODUCT(BILLIONS)									
CURRENT DOLLARS	2,417.8	2,633.1	2,937.7	3,070.4	3,336.9	3,697.5	4,096.8	4,515.2	4,940.2
%CH	11.7	8.9	11.6	4.5	8.7	10.8	10.8	10.2	9.4
1972 DOLLARS	1,479.4	1,474.0	1,502.6	1,479.8	1,522.5	1,589.8	1,652.5	1,709.4	1,758.9
%CH	2.8	-0.4	1.9	-1.5	2.9	4.4	3.9	3.4	2.9
PERSONAL INCOME - CURRENT \$\$									
IDAHO(MILLIONS)	6,866.5	7,672.8	8,573.5	8,699.5	9,352.8	10,235.7	11,432.3	12,750.9	14,058.2
%CH	10.1	11.7	11.7	1.5	7.5	9.4	11.7	11.5	10.3
IDAHO NON-FARM (MILLIONS)	6,584.3	7,249.5	8,080.8	8,440.3	9,178.7	10,077.6	11,191.3	12,449.9	13,789.7
%CH	11.4	10.1	11.5	4.4	8.7	9.8	11.1	11.2	10.8
NATIONAL(BILLIONS)	1,951.2	2,160.4	2,415.8	2,574.4	2,784.6	3,067.4	3,364.6	3,689.9	4,031.9
%CH	12.6	10.7	11.8	6.6	8.2	10.2	9.7	9.7	9.3
PERSONAL INCOME - 1972 \$\$									
IDAHO(MILLIONS)	4,226.8	4,282.9	4,408.0	4,224.9	4,307.6	4,453.1	4,679.4	4,913.8	5,097.9
%CH	1.0	1.3	2.9	-4.2	2.0	3.4	5.1	5.0	3.7
IDAHO NON-FARM (MILLIONS)	4,053.1	4,046.6	4,154.6	4,099.1	4,227.5	4,384.3	4,580.7	4,797.9	5,000.5
%CH	2.2	-0.2	2.7	-1.3	3.1	3.7	4.5	4.7	4.2
NATIONAL(BILLIONS)	1,201.1	1,205.9	1,242.1	1,250.3	1,282.5	1,334.5	1,377.2	1,422.0	1,462.1
%CH	3.3	0.4	3.0	0.7	2.6	4.1	3.2	3.3	2.8
PER CAPITA PERS. INCOME - CURRENT \$\$									
IDAHO	7,359.6	8,128.8	8,943.8	8,945.0	9,490.5	10,247.7	11,288.1	12,408.2	13,474.2
%CH	7.5	10.5	10.0	0.0	6.1	8.0	10.2	9.9	8.6
NATIONAL	8,838.3	9,712.0	10,761.6	11,360.2	12,171.0	13,280.5	14,430.6	15,679.1	16,976.4
%CH	11.7	9.9	10.8	5.6	7.1	9.1	8.7	8.7	8.3
PER CAPITA PERS. INCOME - 1972 \$\$									
IDAHO	4,530.4	4,537.4	4,598.3	4,344.2	4,371.1	4,458.4	4,620.3	4,781.8	4,886.1
%CH	-1.3	0.2	1.3	-5.5	0.6	2.0	3.6	3.5	2.2
NATIONAL	5,440.7	5,421.2	5,533.0	5,517.1	5,605.6	5,777.8	5,906.6	6,042.3	6,156.1
%CH	2.5	-0.4	2.1	-0.3	1.6	3.1	2.2	2.3	1.9
AVERAGE ANNUAL WAGE									
IDAHO	12,391.1	13,544.3	14,904.4	15,787.6	17,034.8	18,218.8	19,646.3	21,170.7	22,824.7
%CH	8.5	9.3	10.0	5.9	7.9	7.0	7.8	7.8	7.8
NATIONAL	13,778.4	14,999.2	16,397.3	17,442.3	18,584.8	19,773.6	21,012.2	22,487.2	24,161.8
%CH	8.0	8.9	9.3	6.4	6.5	6.4	6.3	7.0	7.4

COMPONENTS OF PERSONAL INCOME - CURRENT DOLLARS

	1970	1971	1972	1973	1974	1975	1976	1977	1978
WAGE & SALARY PAYMENTS									
IDAHO(MILLIONS)	1,412.5	1,529.5	1,742.2	1,964.5	2,243.7	2,535.2	2,923.0	3,304.0	3,768.2
%CH	9.3	8.3	13.9	12.8	14.2	13.0	15.3	13.0	14.1
NATIONAL(BILLIONS)	548.7	580.9	635.2	702.6	765.8	806.4	889.9	983.2	1,106.3
%CH	6.4	5.9	9.3	10.6	9.0	5.3	10.4	10.5	12.5
FARM PROPRIETORS' INCOME									
IDAHO(MILLIONS)	136.7	86.8	125.6	199.0	426.2	289.3	144.8	25.1	60.6
%CH	NA	-36.5	44.6	58.5	114.1	-32.1	-49.9	-82.7	141.8
NATIONAL(BILLIONS)	14.3	15.0	18.7	32.8	26.5	24.6	19.1	19.1	26.3
%CH	-1.5	4.5	24.8	75.3	-19.3	-7.1	-22.4	-0.3	38.1
NON-FARM PROPRIETORS' INCOME									
IDAHO(MILLIONS)	207.5	218.3	238.0	253.8	271.0	301.7	352.5	381.2	410.3
%CH	4.1	5.2	9.0	6.6	6.8	11.3	16.8	8.2	7.6
NATIONAL(BILLIONS)	51.9	54.4	58.1	61.0	62.3	65.4	75.0	84.8	92.2
%CH	-1.1	4.8	6.9	4.9	2.0	5.1	14.6	13.1	8.8
DIVIDENDS, RENT & INTEREST									
IDAHO(MILLIONS)	311.2	357.2	386.5	480.0	560.5	602.8	682.0	774.0	874.5
%CH	8.6	14.8	8.2	24.2	16.8	7.5	13.1	13.5	13.0
NATIONAL(BILLIONS)	111.6	118.0	126.4	143.5	165.8	177.0	193.4	218.4	253.0
%CH	8.1	5.7	7.1	13.6	15.6	6.7	9.3	12.9	15.8
OTHER LABOR INCOME									
IDAHO(MILLIONS)	77.5	88.5	112.0	132.0	154.8	190.5	232.2	280.8	326.5
%CH	18.3	14.2	26.6	17.9	17.2	23.1	21.9	20.9	16.3
NATIONAL(BILLIONS)	32.5	36.7	43.0	48.9	55.8	64.5	75.9	89.5	102.5
%CH	14.3	12.8	17.2	13.5	14.3	15.5	17.6	17.9	14.6
GOVERNMENT TRANSFERS TO INDIVIDUALS									
IDAHO(MILLIONS)	248.5	292.0	330.7	378.3	456.8	565.5	642.8	697.0	746.0
%CH	19.8	17.5	13.3	14.4	20.8	23.8	13.7	8.4	7.0
NATIONAL(BILLIONS)	73.8	87.4	97.0	111.4	132.2	167.8	183.1	196.0	210.9
%CH	21.6	18.4	11.1	14.8	18.7	27.0	9.2	7.0	7.5
CONTRIBUTIONS FOR SOCIAL INSURANCE									
IDAHO(MILLIONS)	92.5	90.0	107.3	122.5	156.5	177.2	199.3	220.3	255.0
%CH	8.5	-2.7	19.2	14.2	27.8	13.3	12.4	10.5	15.8
NATIONAL(BILLIONS)	27.9	30.7	34.5	42.6	47.9	50.4	55.5	61.1	69.8
%CH	6.3	10.0	12.5	23.5	12.6	5.3	10.0	10.1	14.2
RESIDENCE ADJUSTMENT									
IDAHO(MILLIONS)	12.0	14.3	14.0	15.2	22.0	25.8	33.3	35.2	39.5
%CH	4.3	18.8	-1.8	8.9	44.3	17.0	29.1	6.0	12.1

COMPONENTS OF PERSONAL INCOME - CURRENT DOLLARS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
WAGE & SALARY PAYMENTS									
IDAHO(MILLIONS)	4,187.8	4,471.5	4,886.5	4,906.0	5,322.1	5,829.2	6,523.7	7,322.7	8,169.2
%CH	11.1	6.8	9.3	0.4	8.5	9.5	11.9	12.2	11.6
NATIONAL(BILLIONS)	1,237.6	1,356.1	1,493.9	1,564.7	1,677.2	1,844.4	2,024.3	2,218.1	2,423.7
%CH	11.9	9.6	10.2	4.7	7.2	10.0	9.8	9.6	9.3
FARM PROPRIETORS' INCOME									
IDAHO(MILLIONS)	24.1	33.1	224.7	182.6	174.0	158.1	241.0	300.9	268.5
%CH	-60.2	37.4	577.8	-18.8	-4.7	-9.2	52.4	24.9	-10.8
NATIONAL(BILLIONS)	31.9	19.4	23.9	18.3	19.6	21.7	23.8	26.0	28.0
%CH	21.4	-39.3	23.6	-23.4	6.7	10.8	9.6	9.3	7.9
NON-FARM PROPRIETORS' INCOME									
IDAHO(MILLIONS)	408.5	367.2	385.2	376.1	434.4	508.9	581.1	647.6	714.0
%CH	-0.4	-10.1	4.9	-2.4	15.5	17.2	14.2	11.4	10.3
NATIONAL(BILLIONS)	100.2	96.8	100.7	100.9	111.2	125.5	139.5	152.1	164.5
%CH	8.6	-3.3	4.0	0.2	10.2	12.9	11.1	9.0	8.2
DIVIDENDS, RENT & INTEREST									
IDAHO(MILLIONS)	1,030.8	1,268.0	1,538.8	1,735.1	1,879.6	2,048.5	2,230.9	2,420.9	2,613.1
%CH	17.9	23.0	21.4	12.8	8.3	9.0	8.9	8.5	7.9
NATIONAL(BILLIONS)	299.3	354.4	428.0	479.4	524.5	579.4	637.9	696.4	751.7
%CH	18.3	18.4	20.8	12.0	9.4	10.5	10.1	9.2	7.9
OTHER LABOR INCOME									
IDAHO(MILLIONS)	354.8	380.2	415.8	433.2	496.1	574.9	675.1	787.6	907.8
%CH	8.7	7.2	9.3	4.2	14.5	15.9	17.4	16.7	15.3
NATIONAL(BILLIONS)	114.9	127.3	140.4	154.1	173.4	201.4	231.9	264.4	299.0
%CH	12.1	10.7	10.4	9.7	12.5	16.2	15.2	14.0	13.1
GOVERNMENT TRANSFERS TO INDIVIDUALS									
IDAHO(MILLIONS)	856.8	1,030.8	1,174.0	1,308.7	1,388.8	1,488.1	1,608.4	1,750.7	1,920.8
%CH	14.8	20.3	13.9	11.5	6.1	7.2	8.1	8.8	9.7
NATIONAL(BILLIONS)	235.8	280.6	318.3	352.8	383.0	411.4	444.7	484.3	531.9
%CH	11.8	19.0	13.4	10.9	8.6	7.4	8.1	8.9	9.8
CONTRIBUTIONS FOR SOCIAL INSURANCE									
IDAHO(MILLIONS)	293.2	316.8	372.3	376.0	403.0	438.8	503.8	566.1	633.5
%CH	15.0	8.0	17.5	1.0	7.2	8.9	14.8	12.4	11.9
NATIONAL(BILLIONS)	81.1	88.7	104.9	112.1	121.7	135.2	158.1	174.2	191.7
%CH	16.2	9.3	18.3	6.8	8.5	11.2	16.9	10.2	10.0
RESIDENCE ADJUSTMENT									
IDAHO(MILLIONS)	39.0	48.5	52.7	57.2	60.7	66.8	75.9	86.6	98.2
%CH	-1.3	24.4	8.8	8.5	6.1	10.0	13.6	14.1	13.4

EMPLOYMENT

	1970	1971	1972	1973	1974	1975	1976	1977	1978

TOTAL NON-AG EMPLOYMENT									
IDAHO	207,893.5	217,145.8	236,345.6	251,555.0	266,746.1	272,903.0	290,975.0	307,438.0	329,932.6
%CH	NA	4.5	8.8	6.4	6.0	2.3	6.6	5.7	7.3
NATIONAL (THOUSANDS)	70,882.7	71,205.2	73,667.4	76,777.8	78,279.7	76,946.4	79,379.1	82,468.1	86,692.2
%CH	0.7	0.5	3.5	4.2	2.0	-1.7	3.2	3.9	5.1
MANUFACTURING									
IDAHO	40,339.5	41,234.9	43,570.7	46,882.9	47,983.6	47,735.2	52,007.3	54,084.8	58,075.1
%CH	NA	2.2	5.7	7.6	2.3	-0.5	8.9	4.0	7.4
NATIONAL (THOUSANDS)	19,371.2	18,622.6	19,152.0	20,153.0	20,080.4	18,320.4	18,996.0	19,686.8	20,509.2
%CH	-3.9	-3.9	2.8	5.2	-0.4	-8.8	3.7	3.6	4.2
DURABLE MANUFACTURING									
IDAHO	20,383.4	21,604.7	23,303.2	25,426.2	25,453.8	24,624.7	27,986.9	29,478.9	32,419.8
%CH	NA	6.0	7.9	9.1	0.1	-3.3	13.7	5.3	10.0
NATIONAL (THOUSANDS)	11,211.9	10,635.3	11,048.9	11,890.8	11,926.8	10,685.3	11,073.4	11,599.1	12,275.8
%CH	-5.7	-5.1	3.9	7.6	0.3	-10.4	3.6	4.7	5.8
LUMBER & WOOD PRODUCTS									
IDAHO	12,799.5	13,606.6	16,427.8	17,411.2	16,801.1	15,593.7	16,927.3	17,817.9	18,970.8
%CH	NA	6.3	20.7	6.0	-3.5	-7.2	8.6	5.3	6.5
NATIONAL (THOUSANDS)	646.0	668.7	725.4	759.2	712.8	614.3	679.5	721.8	754.8
%CH	-4.7	3.5	8.5	4.7	-6.1	-13.8	10.6	6.2	4.6
SAWMILLS & LOGGING CAMPS									
IDAHO	NA	NA	10,841.2	11,665.2	11,576.9	11,047.3	12,482.3	12,955.2	13,456.8
%CH	NA	NA	NA	7.6	-0.8	-4.6	13.0	3.8	3.9
MOBILE HOMES & OTHER									
IDAHO	NA	NA	5,586.6	5,746.0	5,224.2	4,546.4	4,445.0	4,862.7	5,514.0
%CH	NA	NA	NA	2.9	-9.1	-13.0	-2.2	9.4	13.4
STONE, CLAY & GLASS & FABR. METALS									
IDAHO	NA	NA	2,420.3	2,683.6	3,078.7	2,766.1	2,833.9	3,245.6	3,782.6
%CH	NA	NA	NA	10.9	14.7	-10.2	2.4	14.5	16.5
NATIONAL (THOUSANDS)	2,204.3	2,124.8	2,224.5	2,366.7	2,346.4	2,087.8	2,155.8	2,251.7	2,371.3
%CH	-5.1	-3.6	4.7	6.4	-0.9	-11.0	3.3	4.4	5.3
PRIMARY METALS									
IDAHO	NA	NA	1,366.7	1,450.0	1,475.0	1,500.0	1,500.0	1,008.3	1,383.3
%CH	NA	NA	NA	6.1	1.7	1.7	0.0	-32.8	37.2
NATIONAL (THOUSANDS)	1,260.3	1,170.9	1,173.4	1,259.2	1,289.0	1,139.1	1,154.9	1,181.3	1,215.0
%CH	-3.4	-7.1	0.2	7.3	2.4	-11.6	1.4	2.3	2.8
MACHINERY & TRANS. EQUIPMENT									
IDAHO	NA	NA	2,363.4	2,956.4	3,174.0	3,731.5	5,475.7	6,090.4	6,908.0
%CH	NA	NA	NA	25.1	7.4	17.6	46.7	11.2	13.4
NATIONAL (THOUSANDS)	5,708.4	5,320.5	5,492.7	5,987.2	6,044.8	5,470.2	5,634.3	5,926.0	6,335.5
%CH	-7.0	-6.8	3.2	9.0	1.0	-9.5	3.0	5.2	6.9
OTHER DURABLES									
IDAHO	NA	NA	725.0	925.0	925.0	1,033.3	1,250.0	1,316.7	1,375.0
%CH	NA	NA	NA	27.6	0.0	11.7	21.0	5.3	4.4
NATIONAL (THOUSANDS)	1,392.8	1,350.5	1,432.9	1,518.6	1,533.8	1,373.9	1,448.9	1,518.3	1,599.2
%CH	-3.9	-3.0	6.1	6.0	1.0	-10.4	5.5	4.8	5.3

EMPLOYMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987

NON-DURABLE MANUFACTURING									
IDAHO	26,074.9	25,352.1	24,976.5	25,681.3	25,419.5	25,841.7	26,236.4	26,753.1	27,041.6
%CH	1.6	-2.8	-1.5	2.8	-1.0	1.7	1.5	2.0	1.1
NATIONAL (THOUSANDS)	8,281.6	8,098.7	8,057.0	7,755.9	7,737.3	7,844.1	7,908.0	7,898.6	7,873.1
%CH	0.6	-2.2	-0.5	-3.7	-0.2	1.4	0.8	-0.1	-0.3
FOOD PROCESSING									
IDAHO	17,578.0	17,018.2	16,890.1	17,447.1	17,166.0	17,390.5	17,626.8	17,867.6	17,938.1
%CH	-0.9	-3.2	-0.8	3.3	-1.6	1.3	1.4	1.4	0.4
NATIONAL (THOUSANDS)	1,732.7	1,708.2	1,674.7	1,640.7	1,623.2	1,624.7	1,612.9	1,591.6	1,571.7
%CH	0.5	-1.4	-2.0	-2.0	-1.1	0.1	-0.7	-1.3	-1.2
CANNED, CURED, & FROZEN									
IDAHO	11,546.6	10,903.6	10,483.3	11,166.5	11,244.2	11,572.3	11,921.8	12,205.3	12,401.7
%CH	-0.2	-5.6	-3.9	6.5	0.7	2.9	3.0	2.4	1.6
OTHER FOOD PROCESSING									
IDAHO	6,031.4	6,114.6	6,406.8	6,280.6	5,921.8	5,818.2	5,704.9	5,662.3	5,536.4
%CH	-2.1	1.4	4.8	-2.0	-5.7	-1.7	-1.9	-0.7	-2.2
PAPER, PRINTING & PUBLISHING									
IDAHO	4,415.9	4,567.2	4,543.3	4,588.3	4,621.1	4,762.6	4,941.0	5,160.9	5,374.8
%CH	8.6	3.4	-0.5	1.0	0.7	3.1	3.7	4.5	4.1
NATIONAL (THOUSANDS)	1,942.2	1,945.1	1,953.8	1,932.6	1,933.1	1,955.8	1,962.6	1,966.1	1,970.1
%CH	2.7	0.2	0.4	-1.1	0.0	1.2	0.3	0.2	0.2
CHEMICALS									
IDAHO	2,481.0	2,358.4	2,326.5	2,411.5	2,359.6	2,365.8	2,293.2	2,301.6	2,278.4
%CH	4.2	-4.9	-1.4	3.7	-2.2	0.3	-3.1	0.4	-1.0
NATIONAL (THOUSANDS)	1,109.5	1,107.5	1,107.3	1,075.3	1,069.4	1,086.2	1,101.8	1,114.0	1,124.0
%CH	1.3	-0.2	0.0	-2.9	-0.6	1.6	1.4	1.1	0.9
OTHER NON-DURABLES									
IDAHO	1,600.0	1,408.3	1,216.7	1,234.3	1,272.9	1,322.8	1,375.5	1,422.9	1,450.4
%CH	8.5	-12.0	-13.6	1.5	3.1	3.9	4.0	3.5	1.9
NATIONAL (THOUSANDS)	3,497.2	3,337.8	3,321.2	3,107.2	3,111.6	3,177.5	3,230.7	3,226.9	3,207.3
%CH	-0.7	-4.6	-0.5	-6.4	0.1	2.1	1.7	-0.1	-0.6
MINING									
IDAHO	4,304.6	4,672.4	4,932.6	3,512.0	3,292.0	3,348.0	3,419.4	3,472.1	3,526.8
%CH	10.3	8.5	5.6	-28.8	-6.3	1.7	2.1	1.5	1.6
NATIONAL (THOUSANDS)	957.8	1,023.2	1,131.5	1,157.0	1,163.5	1,197.2	1,199.2	1,189.7	1,180.9
%CH	12.6	6.8	10.6	2.3	0.6	2.9	0.2	-0.8	-0.7
METAL MINING									
IDAHO	2,916.7	3,100.0	3,358.3	2,366.8	2,091.2	2,066.1	2,063.9	2,063.7	2,063.7
%CH	9.7	6.3	8.3	-29.5	-11.6	-1.2	-0.1	0.0	0.0
OTHER MINING									
IDAHO	1,388.0	1,572.4	1,574.3	1,145.1	1,200.8	1,281.9	1,355.5	1,408.4	1,463.1
%CH	11.5	13.3	0.1	-27.3	4.9	6.7	5.7	3.9	3.9

EMPLOYMENT

	1970	1971	1972	1973	1974	1975	1976	1977	1978

NON-MANUFACTURING									
IDAHO	167,553.9	175,910.9	192,784.9	204,658.4	218,691.8	225,174.8	238,941.1	253,321.0	271,797.3
%CH	NA	5.0	9.6	6.2	6.9	3.0	6.1	6.0	7.3
NATIONAL (THOUSANDS)	51,511.5	52,582.6	54,515.4	56,624.8	58,199.3	58,626.0	60,383.1	62,781.3	66,183.1
%CH	2.6	2.1	3.7	3.9	2.8	0.7	3.0	4.0	5.4
CONSTRUCTION									
IDAHO	10,905.5	11,251.9	12,965.8	14,689.1	15,988.7	16,172.9	17,085.6	18,970.1	19,847.0
%CH	NA	3.2	15.2	13.3	8.8	1.2	5.6	11.0	4.6
NATIONAL (THOUSANDS)	3,589.4	3,699.3	3,887.9	4,093.8	4,026.2	3,528.7	3,576.0	3,843.8	4,220.8
%CH	0.5	3.1	5.1	5.3	-1.7	-12.4	1.3	7.5	9.8
FINANCE, INSURANCE, & REAL ESTATE									
IDAHO	7,965.9	8,508.9	12,376.0	13,182.5	14,045.5	14,426.4	15,391.0	16,450.0	20,845.4
%CH	NA	6.8	45.4	6.5	6.5	2.7	6.7	6.9	26.7
NATIONAL (THOUSANDS)	3,645.8	3,771.8	3,907.3	4,045.4	4,148.2	4,165.3	4,270.9	4,467.6	4,724.5
%CH	3.8	3.5	3.6	3.5	2.5	0.4	2.5	4.6	5.8
TRANS., COMMUNICATION & PUBLIC UTILITIES									
IDAHO	14,299.1	14,514.4	14,892.9	15,729.4	16,576.8	16,327.1	17,132.1	18,007.2	19,495.9
%CH	NA	1.5	2.6	5.6	5.4	-1.5	4.9	5.1	8.3
NATIONAL (THOUSANDS)	4,514.4	4,476.5	4,540.7	4,655.8	4,725.2	4,542.3	4,582.1	4,712.8	4,922.5
%CH	1.6	-0.8	1.4	2.5	1.5	-3.9	0.9	2.9	4.4
TRADE									
IDAHO	49,327.2	52,521.9	58,019.2	62,366.8	66,295.4	67,739.6	72,795.6	76,802.8	82,183.1
%CH	NA	6.5	10.5	7.5	6.3	2.2	7.5	5.5	7.0
NATIONAL (THOUSANDS)	15,039.4	15,350.5	15,945.7	16,604.0	16,991.0	17,064.9	17,755.0	18,514.3	19,540.3
%CH	2.3	2.1	3.9	4.1	2.3	0.4	4.0	4.3	5.5
SERVICES									
IDAHO	32,385.2	34,467.2	36,906.5	39,424.9	42,567.7	44,552.9	48,770.0	52,401.8	57,124.0
%CH	NA	6.4	7.1	6.8	8.0	4.7	9.5	7.4	9.0
NATIONAL (THOUSANDS)	11,550.3	11,796.7	12,274.0	12,855.8	13,443.8	13,890.8	14,550.3	15,301.9	16,251.3
%CH	3.4	2.1	4.0	4.7	4.6	3.3	4.7	5.2	6.2
STATE & LOCAL GOVERNMENT									
IDAHO	NA	NA	44,352.7	45,939.1	48,846.5	51,366.3	52,927.2	55,406.0	55,843.4
%CH	NA	NA	NA	3.6	6.3	5.2	3.0	4.7	0.8
EDUCATION	NA	NA	24,011.7	24,332.6	25,345.1	25,851.6	27,096.6	28,694.7	30,457.9
%CH	NA	NA	NA	1.3	4.2	2.0	4.8	5.9	6.1
OTHER	NA	NA	20,341.1	21,606.5	23,501.4	25,514.7	25,830.6	26,711.3	25,385.5
%CH	NA	NA	NA	6.2	8.8	8.6	1.2	3.4	-5.0
NATIONAL (THOUSANDS)	9,822.8	10,185.8	10,651.3	11,068.3	11,447.0	11,937.0	12,137.1	12,400.7	12,919.8
%CH	4.1	3.7	4.6	3.9	3.4	4.3	1.7	2.2	4.2
FEDERAL GOVERNMENT									
IDAHO	10,007.5	10,065.0	10,197.9	10,185.3	10,819.5	10,942.9	11,518.6	11,894.6	12,553.9
%CH	NA	0.6	1.3	-0.1	6.2	1.1	5.3	3.3	5.5
NATIONAL (THOUSANDS)	2,726.8	2,692.9	2,681.0	2,660.3	2,721.1	2,745.2	2,732.1	2,727.5	2,753.0
%CH	-1.0	-1.2	-0.4	-0.8	2.3	0.9	-0.5	-0.2	0.9

EMPLOYMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987

NON-MANUFACTURING									
IDAHO	279,597.4	276,785.7	274,089.2	267,693.9	264,557.9	271,298.9	284,056.5	298,156.3	310,722.3
%CH	2.9	-1.0	-1.0	-2.3	-1.2	2.5	4.7	5.0	4.2
NATIONAL (THOUSANDS)	68,781.0	70,125.8	70,933.8	71,220.6	72,639.2	74,624.0	76,625.6	78,534.7	80,222.0
%CH	3.9	2.0	1.2	0.4	2.0	2.7	2.7	2.5	2.1
CONSTRUCTION									
IDAHO	19,126.3	17,444.7	16,381.5	15,615.9	14,742.1	15,632.3	16,960.8	18,279.5	19,423.7
%CH	-3.6	-8.8	-6.1	-4.7	-5.6	6.0	8.5	7.8	6.3
NATIONAL (THOUSANDS)	4,458.8	4,352.9	4,179.5	3,958.1	3,972.7	4,149.2	4,415.7	4,620.0	4,742.7
%CH	5.6	-2.4	-4.0	-5.3	0.4	4.4	6.4	4.6	2.7
FINANCE, INSURANCE, & REAL ESTATE									
IDAHO	23,381.4	23,361.1	23,180.7	23,151.6	22,713.2	22,970.1	23,699.9	24,627.4	25,436.9
%CH	12.2	-0.1	-0.8	-0.1	-1.9	1.1	3.2	3.9	3.3
NATIONAL (THOUSANDS)	4,975.0	5,160.4	5,300.6	5,366.0	5,512.7	5,706.4	5,910.2	6,112.3	6,225.3
%CH	5.3	3.7	2.7	1.2	2.7	3.5	3.6	3.4	1.8
TRANS., COMMUNICATION & PUBLIC UTILITIES									
IDAHO	20,515.8	20,131.6	19,708.7	19,290.5	19,076.2	19,359.8	20,021.9	20,822.3	21,497.3
%CH	5.2	-1.9	-2.1	-2.1	-1.1	1.5	3.4	4.0	3.2
NATIONAL (THOUSANDS)	5,135.5	5,146.3	5,156.4	5,081.7	5,058.1	5,120.3	5,180.3	5,233.9	5,288.0
%CH	4.3	0.2	0.2	-1.4	-0.5	1.2	1.2	1.0	1.0
TRADE									
IDAHO	83,410.6	80,643.7	79,792.9	78,946.1	79,275.9	82,182.7	86,706.8	91,431.5	95,758.2
%CH	1.5	-3.3	-1.1	-1.1	0.4	3.7	5.5	5.4	4.7
NATIONAL (THOUSANDS)	20,192.8	20,311.3	20,551.0	20,752.3	21,343.0	21,993.9	22,564.5	23,074.3	23,534.5
%CH	3.3	0.6	1.2	1.0	2.8	3.0	2.6	2.3	2.0
SERVICES									
IDAHO	59,367.9	60,039.6	59,981.8	57,892.9	57,290.9	59,678.7	63,831.6	68,476.1	72,616.2
%CH	3.9	1.1	-0.1	-3.5	-1.0	4.2	7.0	7.3	6.0
NATIONAL (THOUSANDS)	17,111.7	17,890.1	18,591.6	19,007.7	19,577.0	20,367.0	21,094.3	21,802.2	22,471.8
%CH	5.3	4.5	3.9	2.2	3.0	4.0	3.6	3.4	3.1
STATE & LOCAL GOVERNMENT									
IDAHO	56,627.2	57,421.1	57,487.3	56,642.3	55,316.0	54,882.5	55,654.8	56,721.2	57,706.1
%CH	1.4	1.4	0.1	-1.5	-2.3	-0.8	1.4	1.9	1.7
EDUCATION	30,289.7	30,984.8	31,729.3	31,377.8	30,825.5	30,630.3	31,032.7	31,644.4	32,298.1
%CH	-0.6	2.3	2.4	-1.1	-1.8	-0.6	1.3	2.0	2.1
OTHER	26,337.4	26,436.2	25,758.0	25,264.5	24,490.5	24,252.2	24,622.1	25,076.8	25,408.0
%CH	3.8	0.4	-2.6	-1.9	-3.1	-1.0	1.5	1.8	1.3
NATIONAL (THOUSANDS)	13,176.2	13,375.3	13,251.2	13,162.1	13,234.1	13,254.0	13,347.0	13,505.1	13,731.5
%CH	2.0	1.5	-0.9	-0.7	0.5	0.2	0.7	1.2	1.7
FEDERAL GOVERNMENT									
IDAHO	12,866.1	13,071.5	12,623.7	12,593.1	12,876.1	13,277.3	13,797.1	14,364.1	14,795.5
%CH	2.5	1.6	-3.4	-0.2	2.2	3.1	3.9	4.1	3.0
NATIONAL (THOUSANDS)	2,773.2	2,866.3	2,772.0	2,735.7	2,778.1	2,835.9	2,914.4	2,997.3	3,047.3
%CH	0.7	3.4	-3.3	-1.3	1.5	2.1	2.8	2.8	1.7

MISCELLANEOUS

	1970	1971	1972	1973	1974	1975	1976	1977	1978
FEDERAL TRANSFERS TO STATE & LOCAL GOVERNMENTS									
IDAHO(MILLIONS)	78.3	93.9	116.5	137.2	148.7	159.9	194.9	224.5	236.5
%CH	12.2	20.0	24.0	17.8	8.4	7.5	21.9	15.2	5.4
NATIONAL(MILLIONS)	24,475.0	29,000.0	37,525.0	40,550.0	43,925.0	54,550.0	61,100.0	67,525.0	77,275.0
%CH	20.3	18.5	29.4	8.1	8.3	24.2	12.0	10.5	14.4
SELECTED IMPLICIT PRICE DEFLATORS									
GROSS NATIONAL PRODUCT	0.914	0.960	1.000	1.057	1.149	1.255	1.321	1.398	1.500
%CH	5.4	5.0	4.1	5.7	8.8	9.2	5.2	5.8	7.3
CONSUMPTION EXPENDITURES	0.925	0.965	1.000	1.057	1.163	1.251	1.316	1.395	1.490
%CH	4.6	4.3	3.6	5.7	10.1	7.6	5.2	6.0	6.8
FOOD	0.926	0.953	1.000	1.121	1.269	1.361	1.400	1.460	1.602
%CH	5.7	3.0	4.9	12.1	13.2	7.3	2.9	4.3	9.7
GAS & OIL	0.979	0.987	1.000	1.095	1.476	1.577	1.643	1.740	1.815
%CH	0.9	0.9	1.3	9.5	34.9	6.8	4.2	5.9	4.3
HOUSING	0.920	0.964	1.000	1.047	1.106	1.168	1.234	1.314	1.408
%CH	4.1	4.8	3.7	4.7	5.6	5.6	5.7	6.5	7.2
CONSUMER PRICE INDEX - ALL ITEMS	1.163	1.213	1.253	1.331	1.477	1.613	1.705	1.816	1.955
%CH	5.9	4.2	3.3	6.2	11.0	9.1	5.7	6.5	7.7
SELECTED INTEREST RATES									
FEDERAL FUNDS	7.181	4.662	4.431	8.728	10.503	5.824	5.046	5.538	7.931
PRIME	7.910	5.696	5.249	8.021	10.797	7.863	6.841	6.824	9.057
NEW HOME MORTGAGE	8.325	7.667	7.608	8.180	9.068	8.952	9.005	9.063	9.794
COMM. BANK SAVING & TIME DEPOSIT	4.715	4.735	4.742	5.030	5.402	5.508	5.535	5.519	5.640
SELECTED PRODUCTION INDICES									
FOOD	NA	NA	NA	NA	NA	NA	NA	1.388	1.427
%CH	NA	NA	NA	NA	NA	NA	NA	NA	2.9
MINING	1.122	1.098	1.132	1.147	1.153	1.129	1.142	1.182	1.241
%CH	3.6	-2.2	3.1	1.4	0.5	-2.1	1.2	3.5	5.0
NON-FERROUS METALS	NA	NA	NA	NA	NA	NA	NA	1.238	1.324
%CH	NA	NA	NA	NA	NA	NA	NA	NA	6.9
AGRICULTURAL CHEMICALS	1.079	1.035	1.089	1.270	1.447	1.641	1.854	2.012	2.118
%CH	1.7	-4.0	5.2	16.6	13.9	13.4	13.0	8.5	5.3
NON-ELECTRICAL MACHINERY	1.044	1.002	1.159	1.337	1.401	1.250	1.344	1.436	1.535
%CH	-4.4	-4.0	15.7	15.3	4.8	-10.8	7.5	6.8	6.9
CONSTRUCTION & ALLIED EQUIPMENT	0.990	1.006	1.126	1.278	1.378	1.293	1.271	1.354	1.479
%CH	-7.8	1.6	12.0	13.4	7.9	-6.2	-1.7	6.5	9.2
ELECTRICAL MACHINERY	1.081	1.077	1.223	1.430	1.438	1.165	1.347	1.453	1.594
%CH	-3.3	-0.4	13.6	17.0	0.5	-19.0	15.6	7.9	9.7
ELECTRONIC COMPONENTS	1.206	1.271	1.585	2.097	2.130	1.547	2.011	2.139	2.467
%CH	-0.9	5.4	24.7	32.3	1.6	-27.3	29.9	6.4	15.3
LUMBER & WOOD PRODUCTS	1.057	1.138	1.208	1.260	1.161	1.076	1.232	1.312	1.364
%CH	-2.0	7.7	6.2	4.3	-7.9	-7.3	14.4	6.5	4.0

MISCELLANEOUS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
FEDERAL TRANSFERS TO STATE & LOCAL GOVERNMENTS									
IDAHO(MILLIONS)	245.7	281.8	323.1	314.9	276.8	251.7	262.5	285.2	310.3
%CH	3.9	14.7	14.7	-2.6	-12.1	-9.1	4.3	8.7	8.8
NATIONAL(MILLIONS)	80,425.0	88,050.0	87,675.0	83,050.2	73,132.7	66,581.7	69,534.0	75,646.1	82,383.8
%CH	4.1	9.5	-0.4	-5.3	-11.9	-9.0	4.4	8.8	8.9
SELECTED IMPLICIT PRICE DEFLATORS									
GROSS NATIONAL PRODUCT	1.628	1.774	1.955	2.082	2.208	2.350	2.521	2.696	2.875
%CH	8.5	9.0	10.2	6.5	6.1	6.4	7.3	6.9	6.7
CONSUMPTION EXPENDITURES	1.623	1.789	1.945	2.060	2.183	2.317	2.475	2.639	2.814
%CH	8.9	10.2	8.7	5.9	6.0	6.2	6.8	6.6	6.6
FOOD	1.766	1.905	2.069	2.178	2.307	2.445	2.618	2.802	2.989
%CH	10.2	7.9	8.6	5.3	5.9	6.0	7.1	7.0	6.7
GAS & OIL	2.446	3.395	3.767	3.539	3.739	4.011	4.365	4.822	5.381
%CH	34.8	38.8	11.0	-6.1	5.6	7.3	8.8	10.5	11.6
HOUSING	1.518	1.656	1.817	1.955	2.075	2.207	2.332	2.456	2.597
%CH	7.8	9.1	9.7	7.6	6.1	6.4	5.6	5.3	5.7
CONSUMER PRICE INDEX - ALL ITEMS	2.175	2.469	2.724	2.902	3.091	3.293	3.538	3.793	4.051
%CH	11.3	13.5	10.3	6.5	6.5	6.6	7.4	7.2	6.8
SELECTED INTEREST RATES									
FEDERAL FUNDS	11.194	13.356	16.378	13.024	13.385	12.111	10.813	11.690	10.655
PRIME	12.666	15.266	18.870	15.753	15.330	14.099	12.295	13.003	12.203
NEW HOME MORTGAGE	11.245	13.017	15.178	15.247	14.025	13.281	13.109	12.973	12.479
COMM. BANK SAVING & TIME DEPOSIT	6.370	7.470	9.724	10.211	10.222	10.263	10.079	9.840	9.776
SELECTED PRODUCTION INDICES									
FOOD	1.474	1.496	1.520	1.513	1.549	1.599	1.645	1.682	1.718
%CH	3.3	1.5	1.6	-0.5	2.4	3.2	2.9	2.3	2.1
MINING	1.255	1.328	1.423	1.310	1.314	1.367	1.389	1.400	1.409
%CH	1.2	5.8	7.1	-7.9	0.3	4.0	1.6	0.8	0.6
NON-FERROUS METALS	1.361	1.197	1.225	0.964	1.039	1.167	1.226	1.249	1.274
%CH	2.8	-12.1	2.4	-21.3	7.8	12.3	5.1	1.9	2.0
AGRICULTURAL CHEMICALS	2.216	2.307	2.415	2.133	2.186	2.344	2.475	2.585	2.699
%CH	4.6	4.1	4.7	-11.7	2.4	7.3	5.6	4.5	4.4
NON-ELECTRICAL MACHINERY	1.637	1.628	1.711	1.518	1.605	1.778	1.923	2.043	2.150
%CH	6.7	-0.6	5.1	-11.3	5.7	10.8	8.1	6.2	5.2
CONSTRUCTION & ALLIED EQUIPMENT	1.555	1.518	1.571	1.287	1.310	1.435	1.564	1.658	1.730
%CH	5.1	-2.3	3.5	-18.1	1.8	9.5	9.0	6.0	4.4
ELECTRICAL MACHINERY	1.751	1.728	1.782	1.719	1.859	2.024	2.166	2.290	2.376
%CH	9.9	-1.3	3.1	-3.5	8.1	8.9	7.0	5.7	3.8
ELECTRONIC COMPONENTS	2.959	3.049	3.118	3.211	3.661	4.093	4.464	4.765	4.950
%CH	19.9	3.1	2.2	3.0	14.0	11.8	9.0	6.8	3.9
LUMBER & WOOD PRODUCTS	1.368	1.194	1.190	1.088	1.219	1.307	1.442	1.499	1.521
%CH	0.3	-12.7	-0.3	-8.6	12.1	7.2	10.3	3.9	1.5

FORECAST OF THE IDAHO ECONOMY
1980 - 1984

Idaho Economic Model

August 1982

National Variables Forecast by Data Resources, Inc.
Forecast Begins the First Quarter of 1982
Farm Income Data for 1981 are Forecast

DEMOGRAPHICS

	1980:3	1980:4	1981:1	1981:2	1981:3	1981:4	1982:1	1982:2	1982:3
POPULATION									
IDAHO(THOUSANDS)	945.3	948.9	952.8	956.7	960.6	964.4	968.2	972.0	975.8
%CH	1.3	1.5	1.7	1.6	1.6	1.6	1.6	1.6	1.6
NATIONAL(MILLIONS)	228.0	228.6	229.1	229.6	230.1	230.4	230.7	231.0	231.5
%CH	1.0	0.9	0.9	0.9	0.8	0.7	0.4	0.7	0.8
BIRTHS									
IDAHO(THOUSANDS)	20.168	20.198	20.061	20.196	20.329	20.463	20.333	20.413	20.492
%CH	0.9	0.6	-2.7	2.7	2.7	2.7	-2.5	1.6	1.6
NATIONAL(THOUSANDS)	3,563.1	3,610.6	3,672.1	3,719.7	3,756.8	3,783.4	3,804.3	3,830.9	3,852.3
%CH	5.1	5.4	7.0	5.3	4.1	2.9	2.2	2.8	2.3
DEATHS									
IDAHO(THOUSANDS)	6.799	6.843	6.700	6.812	6.888	6.943	6.935	6.938	6.961
%CH	4.1	2.6	-8.1	6.9	4.6	3.2	-0.4	0.1	1.3
NATIONAL(THOUSANDS)	1,962.1	1,993.5	2,044.7	2,076.4	2,095.8	2,103.1	2,098.1	2,105.4	2,112.6
%CH	5.0	6.6	10.7	6.3	3.8	1.4	-0.9	1.4	1.4
MIGRATION									
IDAHO(THOUSANDS)	-0.774	0.904	2.343	2.223	1.998	1.921	1.875	1.736	1.581
%CH	99.0	NM	4,421.1	-19.0	-34.7	-14.5	-9.4	-26.5	-31.2
HOUSING									
HOUSING STARTS									
IDAHO(THOUSANDS)	6.962	6.176	4.965	4.026	3.178	1.687	1.092	1.129	1.278
%CH	509.3	-38.1	-58.2	-56.8	-61.2	-92.1	-82.4	14.2	64.0
NATIONAL(MILLIONS)	1.385	1.500	1.399	1.173	0.962	0.865	0.920	0.956	1.057
%CH	196.7	37.7	-24.3	-50.6	-54.8	-34.4	28.0	16.4	49.3
HOUSING STOCK									
IDAHO(THOUSANDS)	338.4	339.7	341.2	342.5	343.5	344.2	344.6	344.7	344.7
%CH	1.3	1.5	1.8	1.5	1.1	0.8	0.5	0.1	0.0
NATIONAL(MILLIONS)	83.802	84.000	84.230	84.438	84.595	84.698	84.767	84.857	84.962
%CH	0.5	1.0	1.1	1.0	0.7	0.5	0.3	0.4	0.5

DEMOGRAPHICS

	1982:4	1983:1	1983:2	1983:3	1983:4	1984:1	1984:2	1984:3	1984:4
POPULATION									
IDAHO(THOUSANDS)	979.6	983.3	987.1	990.9	994.8	998.6	1,002.5	1,006.5	1,010.5
%CH	1.5	1.5	1.5	1.6	1.6	1.6	1.6	1.6	1.6
NATIONAL(MILLIONS)	232.0	232.7	233.2	233.8	234.3	234.9	235.4	236.0	236.5
%CH	1.0	1.1	0.9	0.9	0.9	0.9	0.9	0.9	0.9
BIRTHS									
IDAHO(THOUSANDS)	20.571	20.650	20.729	20.809	20.890	20.971	21.053	21.136	21.221
%CH	1.5	1.5	1.5	1.6	1.6	1.6	1.6	1.6	1.6
NATIONAL(THOUSANDS)	3,868.5	3,881.9	3,898.1	3,912.1	3,923.9	3,933.3	3,945.1	3,956.9	3,968.8
%CH	1.7	1.4	1.7	1.4	1.2	1.0	1.2	1.2	1.2
DEATHS									
IDAHO(THOUSANDS)	6.982	7.001	7.019	7.039	7.059	7.079	7.099	7.119	7.140
%CH	1.2	1.1	1.0	1.1	1.1	1.1	1.1	1.1	1.2
NATIONAL(THOUSANDS)	2,119.9	2,127.1	2,134.4	2,141.6	2,148.9	2,156.1	2,163.3	2,170.6	2,178.0
%CH	1.4	1.4	1.4	1.4	1.4	1.3	1.4	1.4	1.4
MIGRATION									
IDAHO(THOUSANDS)	1.446	1.363	1.393	1.477	1.530	1.563	1.691	1.827	1.973
%CH	-29.9	-21.1	8.9	26.4	15.2	8.9	37.0	36.3	35.9
HOUSING									
HOUSING STARTS									
IDAHO(THOUSANDS)	1.494	1.777	2.044	2.277	2.458	2.602	2.780	2.992	3.242
%CH	86.8	100.2	75.1	54.0	35.7	25.7	30.2	34.1	38.0
NATIONAL(MILLIONS)	1.167	1.156	1.310	1.390	1.439	1.427	1.518	1.664	1.766
%CH	48.9	-3.7	64.4	27.0	14.7	-3.1	28.1	44.3	26.9
HOUSING STOCK									
IDAHO(THOUSANDS)	344.8	344.9	345.1	345.4	345.7	346.1	346.5	346.9	347.5
%CH	0.1	0.1	0.2	0.3	0.4	0.4	0.5	0.5	0.6
NATIONAL(MILLIONS)	85.089	85.245	85.398	85.590	85.802	86.027	86.250	86.495	86.776
%CH	0.6	0.7	0.7	0.9	1.0	1.1	1.0	1.1	1.3

OUTPUT, INCOME, & WAGES

	1980:3	1980:4	1981:1	1981:2	1981:3	1981:4	1982:1	1982:2	1982:3
GROSS NATIONAL PRODUCT(BILLIONS)									
CURRENT DOLLARS	2,637.3	2,730.6	2,864.9	2,901.8	2,980.9	3,003.2	2,995.5	3,047.4	3,115.3
%CH	11.8	14.9	21.2	5.3	11.4	3.0	-1.0	7.1	9.2
1972 DOLLARS	1,471.9	1,485.6	1,507.8	1,502.2	1,510.4	1,490.1	1,470.7	1,475.8	1,484.4
%CH	2.4	3.8	6.1	-1.5	2.2	-5.3	-5.1	1.7	2.1
PERSONAL INCOME - CURRENT \$\$									
IDAHO(MILLIONS)	7,785.0	8,044.0	8,251.0	8,454.0	8,676.0	8,794.0	8,691.7	8,734.4	8,899.2
%CH	16.0	14.0	10.7	10.2	10.9	5.6	-4.6	2.0	7.8
IDAHO NON-FARM (MILLIONS)	7,418.0	7,656.0	7,926.0	8,081.0	8,298.0	8,411.0	8,479.8	8,561.3	8,717.8
%CH	15.7	13.5	14.9	8.1	11.2	5.6	3.3	3.9	7.5
NATIONAL(BILLIONS)	2,182.1	2,256.4	2,330.1	2,380.5	2,458.0	2,494.6	2,510.4	2,549.5	2,614.5
%CH	13.4	14.3	13.7	8.9	13.7	6.1	2.6	6.4	10.6
PERSONAL INCOME - 1972 \$\$									
IDAHO(MILLIONS)	4,307.6	4,350.5	4,361.0	4,389.4	4,417.5	4,401.4	4,298.6	4,281.6	4,290.2
%CH	6.7	4.0	1.0	2.6	2.6	-1.5	-9.0	-1.6	0.8
IDAHO NON-FARM (MILLIONS)	4,104.6	4,140.6	4,189.2	4,195.7	4,225.1	4,209.7	4,193.8	4,196.7	4,202.8
%CH	6.4	3.6	4.8	0.6	2.8	-1.4	-1.5	0.3	0.6
NATIONAL(BILLIONS)	1,207.4	1,220.3	1,231.6	1,236.0	1,251.5	1,248.5	1,241.5	1,249.8	1,260.4
%CH	4.3	4.4	3.7	1.4	5.1	-0.9	-2.2	2.7	3.5
PER CAPITA PERS. INCOME - CURRENT \$\$									
IDAHO	8,235.5	8,477.5	8,659.8	8,836.7	9,032.3	9,118.5	8,976.9	8,985.7	9,119.8
%CH	14.5	12.3	8.9	8.4	9.2	3.9	-6.1	0.4	6.1
NATIONAL	9,569.6	9,872.7	10,171.2	10,367.5	10,684.0	10,825.5	10,884.0	11,035.6	11,294.5
%CH	12.3	13.3	12.7	7.9	12.8	5.4	2.2	5.7	9.7
PER CAPITA PERS. INCOME - 1972 \$\$									
IDAHO	4,556.9	4,584.9	4,577.1	4,588.1	4,598.9	4,563.8	4,439.6	4,404.8	4,396.6
%CH	5.2	2.5	-0.7	1.0	0.9	-3.0	-10.4	-3.1	-0.7
NATIONAL	5,295.1	5,339.5	5,375.9	5,382.9	5,439.9	5,418.2	5,382.8	5,409.6	5,445.0
%CH	3.2	3.4	2.8	0.5	4.3	-1.6	-2.6	2.0	2.6
AVERAGE ANNUAL WAGE									
IDAHO	13,770.4	14,011.4	14,484.8	14,911.1	15,410.0	15,469.9	15,768.4	15,940.3	16,199.6
%CH	14.9	7.2	14.2	12.3	14.1	1.6	7.9	4.4	6.7
NATIONAL	14,921.4	15,439.3	15,974.4	16,226.5	16,553.1	16,834.9	17,051.7	17,272.2	17,621.1
%CH	8.6	14.6	14.6	6.5	8.3	7.0	5.3	5.3	8.3

OUTPUT, INCOME, & WAGES

	1982:4	1983:1	1983:2	1983:3	1983:4	1984:1	1984:2	1984:3	1984:4

GROSS NATIONAL PRODUCT(BILLIONS)									
CURRENT DOLLARS	3,187.7	3,251.8	3,320.9	3,409.3	3,502.4	3,584.5	3,685.7	3,792.2	3,904.3
%CH	9.6	8.3	8.8	11.1	11.4	9.7	11.8	12.1	12.4
1972 DOLLARS	1,496.9	1,505.4	1,516.0	1,533.9	1,549.9	1,562.8	1,581.7	1,601.6	1,620.2
%CH	3.4	2.3	2.8	4.8	4.2	3.4	4.9	5.1	4.7
PERSONAL INCOME - CURRENT \$\$									
IDAHO(MILLIONS)	8,932.1	9,162.1	9,403.9	9,766.3	9,992.5	10,258.2	10,520.7	10,829.3	11,116.5
%CH	1.5	10.7	11.0	16.3	9.6	11.1	10.6	12.3	11.0
IDAHO NON-FARM (MILLIONS)	8,862.8	9,066.6	9,252.9	9,511.3	9,716.9	9,956.0	10,220.5	10,520.8	10,812.8
%CH	6.8	9.5	8.5	11.6	8.9	10.2	11.1	12.3	11.6
NATIONAL(BILLIONS)	2,667.8	2,721.3	2,774.6	2,846.5	2,917.2	2,983.8	3,059.8	3,143.8	3,225.5
%CH	8.4	8.3	8.1	10.8	10.3	9.4	10.6	11.4	10.8
PERSONAL INCOME - 1972 \$\$									
IDAHO(MILLIONS)	4,247.0	4,288.0	4,339.9	4,444.0	4,481.8	4,528.2	4,574.7	4,639.1	4,691.7
%CH	-4.0	3.9	4.9	9.9	3.5	4.2	4.2	5.7	4.6
IDAHO NON-FARM (MILLIONS)	4,214.1	4,243.3	4,270.2	4,327.9	4,358.2	4,394.8	4,444.2	4,506.9	4,563.5
%CH	1.1	2.8	2.6	5.5	2.8	3.4	4.6	5.8	5.1
NATIONAL(BILLIONS)	1,268.5	1,273.6	1,280.5	1,295.2	1,308.4	1,317.1	1,330.5	1,346.8	1,361.3
%CH	2.6	1.6	2.2	4.7	4.1	2.7	4.1	5.0	4.4
PER CAPITA PERS. INCOME - CURRENT \$\$									
IDAHO	9,118.4	9,317.5	9,526.7	9,855.9	10,045.3	10,272.4	10,494.2	10,759.5	11,001.0
%CH	-0.1	9.0	9.3	14.6	7.9	9.4	8.9	10.5	9.3
NATIONAL	11,497.3	11,695.7	11,896.6	12,176.3	12,449.5	12,704.0	12,997.1	13,322.7	13,636.7
%CH	7.4	7.1	7.0	9.7	9.3	8.4	9.6	10.4	9.8
PER CAPITA PERS. INCOME - 1972 \$\$									
IDAHO	4,335.6	4,360.8	4,396.6	4,484.7	4,505.5	4,534.5	4,563.2	4,609.2	4,642.9
%CH	-5.4	2.3	3.3	8.3	1.9	2.6	2.6	4.1	3.0
NATIONAL	5,466.7	5,473.8	5,490.3	5,540.5	5,583.8	5,607.8	5,651.6	5,707.2	5,755.4
%CH	1.6	0.5	1.2	3.7	3.2	1.7	3.2	4.0	3.4
AVERAGE ANNUAL WAGE									
IDAHO	16,497.9	16,943.8	17,323.1	17,692.8	17,994.3	18,334.6	18,681.1	19,038.4	19,386.4
%CH	7.6	11.3	9.3	8.8	7.0	7.8	7.8	7.9	7.5
NATIONAL	17,896.0	18,142.6	18,400.8	18,708.3	19,031.1	19,315.6	19,678.1	20,043.2	20,397.8
%CH	6.4	5.6	5.8	6.9	7.1	6.1	7.7	7.6	7.3

COMPONENTS OF PERSONAL INCOME - CURRENT DOLLARS

	1980:3	1980:4	1981:1	1981:2	1981:3	1981:4	1982:1	1982:2	1982:3
WAGE & SALARY PAYMENTS									
IDAHO(MILLIONS)	4,470.0	4,639.0	4,814.0	4,895.0	4,976.0	4,991.0	5,073.7	5,059.6	5,104.1
%CH	10.0	16.0	16.0	6.9	6.8	1.2	6.8	-1.1	3.6
NATIONAL(BILLIONS)	1,341.8	1,397.8	1,452.8	1,479.4	1,512.3	1,531.2	1,541.6	1,555.9	1,587.9
%CH	6.6	17.8	16.7	7.5	9.2	5.1	2.7	3.8	8.5
FARM PROPRIETORS' INCOME									
IDAHO(MILLIONS)	79.0	202.2	220.4	290.4	283.4	225.9	211.9	173.1	181.4
%CH	199.9	4,191.5	40.9	201.7	-9.4	-59.6	-22.6	-55.5	20.7
NATIONAL(BILLIONS)	22.1	22.5	21.6	22.5	27.1	24.6	17.8	15.3	16.1
%CH	-19.1	7.4	-15.1	17.7	110.4	-32.1	-72.6	-45.4	21.9
NON-FARM PROPRIETORS' INCOME									
IDAHO(MILLIONS)	436.0	456.0	477.0	464.0	460.0	450.0	382.7	391.8	398.1
%CH	33.0	19.7	19.7	-10.5	-3.4	-8.4	-47.7	9.9	6.6
NATIONAL(BILLIONS)	107.6	111.6	101.8	101.2	100.4	99.5	98.6	100.0	101.0
%CH	25.8	15.7	-30.8	-2.3	-3.1	-3.5	-3.6	5.8	3.9
DIVIDENDS, RENT & INTEREST									
IDAHO(MILLIONS)	1,303.0	1,342.0	1,424.0	1,481.0	1,550.0	1,609.0	1,716.4	1,759.3	1,795.7
%CH	13.3	12.5	26.8	17.0	20.0	16.1	29.5	10.4	8.6
NATIONAL(BILLIONS)	350.5	359.8	400.6	418.6	440.0	452.7	462.4	475.3	486.3
%CH	11.9	11.0	53.7	19.2	22.1	12.1	8.9	11.6	9.6
OTHER LABOR INCOME									
IDAHO(MILLIONS)	417.0	430.0	444.0	458.0	471.0	476.0	447.2	451.8	459.3
%CH	21.7	13.1	13.7	13.2	11.8	4.3	-22.1	4.2	6.8
NATIONAL(BILLIONS)	139.1	143.5	135.3	138.4	142.2	145.8	149.1	152.5	156.9
%CH	12.4	13.3	-21.0	9.5	11.4	10.5	9.4	9.4	11.9
GOVERNMENT TRANSFERS TO INDIVIDUALS									
IDAHO(MILLIONS)	1,066.0	1,071.0	1,090.0	1,112.0	1,178.0	1,219.0	1,190.4	1,226.0	1,289.4
%CH	39.4	1.9	7.3	8.3	25.9	14.7	-9.1	12.5	22.3
NATIONAL(BILLIONS)	295.2	296.7	305.6	310.0	326.2	331.3	335.4	346.4	364.0
%CH	50.5	2.0	12.5	5.9	22.6	6.4	5.0	13.8	21.9
CONTRIBUTIONS FOR SOCIAL INSURANCE									
IDAHO(MILLIONS)	324.0	334.0	376.0	379.0	386.0	385.0	384.6	381.6	384.2
%CH	20.9	12.9	60.6	3.2	7.6	-1.0	-0.4	-3.1	2.8
NATIONAL(BILLIONS)	88.1	91.2	102.5	104.1	106.1	107.0	110.6	111.3	114.0
%CH	10.6	14.8	59.6	6.4	7.9	3.4	14.2	2.6	9.9
RESIDENCE ADJUSTMENT									
IDAHO(MILLIONS)	50.0	52.0	53.0	50.0	49.0	51.0	54.1	54.4	55.4
%CH	8.4	17.0	7.9	-20.8	-7.8	17.4	26.5	2.6	7.1

COMPONENTS OF PERSONAL INCOME - CURRENT DOLLARS

	1982:4	1983:1	1983:2	1983:3	1983:4	1984:1	1984:2	1984:3	1984:4
WAGE & SALARY PAYMENTS									
IDAHO(MILLIONS)	5,174.2	5,294.9	5,411.9	5,562.8	5,672.8	5,815.0	5,980.1	6,158.8	6,336.5
%CH	5.6	9.7	9.1	11.6	8.1	10.4	11.8	12.5	12.1
NATIONAL(BILLIONS)	1,618.3	1,647.5	1,680.1	1,719.3	1,760.3	1,797.7	1,844.4	1,892.5	1,940.3
%CH	7.9	7.4	8.1	9.7	9.9	8.8	10.8	10.8	10.5
FARM PROPRIETORS' INCOME									
IDAHO(MILLIONS)	69.3	95.6	150.9	255.0	275.6	302.2	300.3	308.5	303.7
%CH	-97.9	261.6	522.4	714.6	36.4	44.6	-2.6	11.4	-6.0
NATIONAL(BILLIONS)	18.0	19.1	19.5	20.4	22.1	23.1	23.8	24.7	25.7
%CH	56.5	27.3	9.1	20.3	36.2	19.4	13.7	15.5	16.9
NON-FARM PROPRIETORS' INCOME									
IDAHO(MILLIONS)	405.9	415.1	426.5	442.1	458.7	473.3	490.1	508.2	527.1
%CH	8.1	9.4	11.4	15.5	15.9	13.4	15.0	15.6	15.7
NATIONAL(BILLIONS)	102.5	104.3	106.8	110.2	113.7	116.8	120.5	124.4	128.4
%CH	6.2	7.5	9.6	13.4	13.6	11.4	13.1	13.5	13.6
DIVIDENDS, RENT & INTEREST									
IDAHO(MILLIONS)	1,842.9	1,893.7	1,920.9	1,960.5	2,008.0	2,060.5	2,108.7	2,157.7	2,215.3
%CH	10.9	11.5	5.9	8.5	10.0	10.9	9.7	9.6	11.1
NATIONAL(BILLIONS)	500.7	517.1	526.6	539.7	554.6	571.6	586.4	601.6	619.2
%CH	12.4	13.7	7.6	10.3	11.6	12.8	10.8	10.7	12.3
OTHER LABOR INCOME									
IDAHO(MILLIONS)	469.8	485.9	502.2	522.5	539.7	560.8	585.0	611.0	636.9
%CH	9.5	14.4	14.2	17.1	13.9	16.6	18.4	19.0	18.1
NATIONAL(BILLIONS)	161.3	166.1	171.3	177.5	184.2	190.8	198.7	206.9	215.1
%CH	11.9	12.2	13.3	15.3	16.0	15.1	17.6	17.6	16.7
GOVERNMENT TRANSFERS TO INDIVIDUALS									
IDAHO(MILLIONS)	1,302.1	1,318.3	1,338.7	1,379.1	1,397.9	1,415.3	1,435.1	1,474.6	1,496.1
%CH	4.0	5.1	6.3	12.6	5.6	5.1	5.7	11.5	6.0
NATIONAL(BILLIONS)	366.6	370.2	375.5	387.2	391.9	396.0	401.4	412.8	418.6
%CH	2.9	4.0	5.8	13.1	5.0	4.3	5.5	11.9	5.8
CONTRIBUTIONS FOR SOCIAL INSURANCE									
IDAHO(MILLIONS)	388.7	399.6	407.3	417.7	423.8	434.5	446.3	459.8	471.9
%CH	4.8	11.7	8.0	10.6	6.0	10.4	11.3	12.6	11.0
NATIONAL(BILLIONS)	116.4	120.3	122.6	125.5	127.6	130.8	134.2	138.2	141.3
%CH	8.9	14.1	7.9	9.6	7.1	10.2	11.0	12.2	9.3
RESIDENCE ADJUSTMENT									
IDAHO(MILLIONS)	56.6	58.3	60.0	62.0	63.6	65.6	67.8	70.2	72.6
%CH	8.9	12.8	12.1	14.5	10.8	12.9	14.3	14.9	14.4

EMPLOYMENT

	1980:3	1980:4	1981:1	1981:2	1981:3	1981:4	1982:1	1982:2	1982:3

TOTAL NON-AG EMPLOYMENT									
IDAHO	324,610.2	331,088.2	332,348.4	328,278.6	322,907.0	322,625.6	321,761.7	317,413.0	315,075.8
%CH	-4.3	8.2	1.5	-4.8	-6.4	-0.3	-1.1	-5.3	-2.9
NATIONAL (THOUSANDS)	89,924.3	90,535.0	90,945.3	91,172.0	91,360.3	90,954.0	90,407.7	90,081.3	90,115.6
%CH	-1.8	2.7	1.8	1.0	0.8	-1.8	-2.4	-1.4	0.2
MANUFACTURING									
IDAHO	52,023.8	53,375.7	53,220.6	53,996.2	52,275.0	50,310.9	49,566.7	49,696.6	49,227.3
%CH	0.3	10.8	-1.2	6.0	-12.2	-14.2	-5.8	1.1	-3.7
NATIONAL (THOUSANDS)	19,897.3	20,105.3	20,172.0	20,313.7	20,319.0	19,892.0	19,430.0	19,084.7	18,849.8
%CH	-7.5	4.2	1.3	2.8	0.1	-8.1	-9.0	-6.9	-4.8
DURABLE MANUFACTURING									
IDAHO	27,187.0	28,033.1	28,468.5	29,533.7	27,543.8	24,350.5	23,424.3	24,062.3	23,611.0
%CH	10.4	13.0	6.4	15.8	-24.3	-38.9	-14.4	11.3	-7.3
NATIONAL (THOUSANDS)	11,875.3	12,056.7	12,120.0	12,228.0	12,226.0	11,894.7	11,562.3	11,322.0	11,148.6
%CH	-9.6	6.2	2.1	3.6	-0.1	-10.4	-10.7	-8.1	-6.0
LUMBER & WOOD PRODUCTS									
IDAHO	15,004.4	15,587.2	15,768.8	13,798.5	14,830.1	12,288.3	11,843.1	12,536.5	12,416.7
%CH	26.9	16.5	4.7	28.8	-39.3	-52.9	-13.7	25.6	-3.8
NATIONAL (THOUSANDS)	667.7	685.7	685.3	689.7	671.7	628.7	608.3	618.7	622.9
%CH	-1.4	11.2	-0.2	2.6	-10.0	-23.3	-12.3	7.0	2.7
SAWMILLS & LOGGING CAMPS									
IDAHO	10,851.3	10,999.1	10,932.3	12,043.9	10,615.7	8,375.5	8,124.1	8,745.7	8,824.8
%CH	52.3	5.6	-2.4	47.3	-39.6	-61.3	-11.5	34.3	3.7
MOBILE HOMES & OTHER									
IDAHO	4,153.1	4,588.1	4,836.5	4,754.7	4,214.4	3,912.8	3,719.0	3,790.8	3,591.5
%CH	-18.3	48.9	23.5	-6.6	-38.3	-25.7	-18.4	7.9	-19.4
STONE, CLAY & GLASS & FABR. METALS									
IDAHO	3,165.2	3,281.1	3,307.6	3,253.1	3,200.7	3,113.6	3,015.7	2,845.8	2,762.3
%CH	-10.5	15.5	3.3	-6.4	-6.3	-10.4	-12.0	-20.7	-11.2
NATIONAL (THOUSANDS)	2,206.3	2,236.3	2,242.0	2,255.7	2,252.0	2,172.7	2,099.3	2,056.0	2,020.6
%CH	-11.5	5.6	1.0	2.5	-0.6	-13.4	-12.8	-8.0	-6.7
PRIMARY METALS									
IDAHO	1,462.5	1,541.8	1,471.6	1,491.4	1,533.4	1,128.6	262.6	252.3	193.0
%CH	0.7	23.5	-17.0	5.5	11.8	-70.7	-99.7	-14.8	-65.8
NATIONAL (THOUSANDS)	1,074.0	1,116.7	1,135.7	1,138.3	1,130.3	1,079.7	1,023.0	952.0	921.6
%CH	-26.1	16.9	7.0	0.9	-2.8	-16.8	-19.4	-25.0	-12.2
MACHINERY & TRANS. EQUIPMENT									
IDAHO	6,788.1	6,823.0	7,020.6	7,090.7	7,146.2	7,053.2	7,517.6	7,638.9	7,457.4
%CH	-0.9	2.1	12.1	4.1	3.2	-5.1	29.1	6.6	-9.2
NATIONAL (THOUSANDS)	6,359.0	6,441.0	6,467.3	6,537.0	6,549.7	6,412.7	6,264.7	6,151.0	6,055.0
%CH	-7.0	5.3	1.6	4.4	0.8	-8.1	-8.9	-7.1	-6.1
OTHER DURABLES									
IDAHO	766.7	800.0	900.0	900.0	833.3	766.7	785.3	788.8	781.7
%CH	-38.8	18.6	60.2	0.0	-26.5	-28.4	10.1	1.8	-3.6
NATIONAL (THOUSANDS)	1,568.3	1,577.0	1,589.7	1,607.3	1,622.3	1,601.0	1,567.0	1,544.3	1,528.5
%CH	-7.8	2.2	3.3	4.5	3.8	-5.2	-8.2	-5.7	-4.0

EMPLOYMENT

	1982:4	1983:1	1983:2	1983:3	1983:4	1984:1	1984:2	1984:3	1984:4

TOTAL NON-AG EMPLOYMENT									
IDAHO	313,629.3	312,498.0	312,408.6	314,413.7	315,257.8	317,158.4	320,113.3	323,492.0	326,855.9
%CH	-1.8	-1.4	-0.1	2.6	1.1	2.4	3.8	4.3	4.2
NATIONAL (THOUSANDS)	90,425.1	90,810.1	91,303.9	91,899.5	92,497.9	93,072.1	93,727.9	94,420.2	95,121.7
%CH	1.4	1.7	2.2	2.6	2.6	2.5	2.8	3.0	3.0

MANUFACTURING									
IDAHO	48,613.7	48,646.2	48,805.2	49,306.5	49,588.6	50,027.0	50,378.3	50,808.2	51,210.5
%CH	-4.9	0.3	1.3	4.2	2.3	3.6	2.8	3.5	3.2
NATIONAL (THOUSANDS)	18,782.6	18,802.2	18,907.4	19,057.3	19,187.8	19,283.5	19,399.2	19,520.8	19,642.3
%CH	-1.4	0.4	2.3	3.2	2.8	2.0	2.4	2.5	2.5

DURABLE MANUFACTURING									
IDAHO	23,278.2	23,290.0	23,505.5	23,816.6	24,057.8	24,297.3	24,574.8	24,905.6	25,281.5
%CH	-5.5	0.2	3.8	5.4	4.1	4.0	4.6	5.5	6.2
NATIONAL (THOUSANDS)	11,090.5	11,100.6	11,186.3	11,307.9	11,410.6	11,483.6	11,571.5	11,661.3	11,752.9
%CH	-2.1	0.4	3.1	4.4	3.7	2.6	3.1	3.1	3.2
LUMBER & WOOD PRODUCTS									
IDAHO	12,348.5	12,298.6	12,358.3	12,421.2	12,464.0	12,506.6	12,573.9	12,665.4	12,808.8
%CH	-2.2	-1.6	2.0	2.1	1.4	1.4	2.2	2.9	4.6
NATIONAL (THOUSANDS)	628.9	636.3	643.2	650.3	654.6	657.2	659.4	661.7	666.1
%CH	3.9	4.8	4.4	4.5	2.6	1.6	1.4	1.4	2.7
SAWMILLS & LOGGING CAMPS									
IDAHO	8,930.9	9,062.7	9,184.5	9,310.1	9,385.6	9,432.1	9,472.2	9,512.3	9,589.7
%CH	4.9	6.0	5.5	5.6	3.3	2.0	1.7	1.7	3.3
MOBILE HOMES & OTHER									
IDAHO	3,417.5	3,235.9	3,173.7	3,111.0	3,078.4	3,074.5	3,101.7	3,153.1	3,219.1
%CH	-18.0	-19.6	-7.5	-7.7	-4.1	-0.5	3.6	6.8	8.6
STONE, CLAY & GLASS & FABR. METALS									
IDAHO	2,743.6	2,791.8	2,869.9	2,996.6	3,080.9	3,142.9	3,248.6	3,370.5	3,481.4
%CH	-2.7	7.2	11.7	18.9	11.7	8.3	14.2	15.9	13.8
NATIONAL (THOUSANDS)	2,015.4	2,013.3	2,028.1	2,051.8	2,065.4	2,066.7	2,070.9	2,075.9	2,086.6
%CH	-1.0	-0.4	3.0	4.8	2.7	0.3	0.8	1.0	2.1
PRIMARY METALS									
IDAHO	133.4	101.0	83.2	73.4	68.0	65.1	63.5	62.6	62.1
%CH	-77.2	-67.1	-54.1	-39.3	-26.2	-16.2	-9.6	-5.5	-3.1
NATIONAL (THOUSANDS)	911.8	912.7	921.7	936.4	949.3	959.8	973.9	989.1	1,002.3
%CH	-4.2	0.4	4.0	6.5	5.6	4.5	6.0	6.4	5.4
MACHINERY & TRANS. EQUIPMENT									
IDAHO	7,280.5	7,332.8	7,426.8	7,547.2	7,652.8	7,773.1	7,863.4	7,960.2	8,054.9
%CH	-9.2	2.9	5.2	6.6	5.7	6.4	4.7	5.0	4.8
NATIONAL (THOUSANDS)	6,009.9	6,013.0	6,065.3	6,136.6	6,202.5	6,255.1	6,315.4	6,374.5	6,429.6
%CH	-2.9	0.2	3.5	4.8	4.4	3.4	3.9	3.8	3.5
OTHER DURABLES									
IDAHO	772.3	765.8	767.3	778.2	792.0	809.6	825.4	846.9	874.2
%CH	-4.7	-3.3	0.8	5.8	7.3	9.2	8.1	10.8	13.6
NATIONAL (THOUSANDS)	1,524.6	1,525.4	1,528.1	1,532.8	1,538.9	1,544.9	1,551.9	1,560.1	1,568.4
%CH	-1.0	0.2	0.7	1.2	1.6	1.6	1.8	2.1	2.2

EMPLOYMENT

	1980:3	1980:4	1981:1	1981:2	1981:3	1981:4	1982:1	1982:2	1982:3
NON-DURABLE MANUFACTURING									
IDAHO	24,836.8	25,342.6	24,752.1	24,462.5	24,731.2	25,960.5	26,141.6	25,633.2	25,615.7
%CH	-9.4	8.4	-9.0	-4.6	4.5	21.4	2.8	-7.6	-0.3
NATIONAL (THOUSANDS)	8,022.0	8,048.7	8,052.0	8,085.7	8,093.0	7,997.3	7,867.7	7,762.7	7,701.3
%CH	-4.3	1.3	0.2	1.7	0.4	-4.6	-6.3	-5.2	-3.1
FOOD PROCESSING									
IDAHO	16,668.3	17,236.3	16,661.9	16,316.1	16,696.5	17,886.0	17,982.3	17,330.0	17,382.0
%CH	-6.4	14.3	-12.7	-8.0	9.7	31.7	2.2	-13.7	1.2
NATIONAL (THOUSANDS)	1,711.3	1,697.7	1,688.3	1,683.0	1,665.0	1,662.3	1,659.3	1,642.0	1,633.5
%CH	2.0	-3.2	-2.2	-1.3	-4.2	-0.6	-0.7	-4.1	-2.1
CANNED, CURED, & FROZEN									
IDAHO	10,481.8	11,378.8	10,258.2	9,857.6	10,261.8	11,555.7	11,374.5	11,010.5	11,209.8
%CH	-9.1	38.9	-33.9	-14.7	17.4	60.8	-6.1	-12.2	7.4
OTHER FOOD PROCESSING									
IDAHO	6,186.5	5,857.5	6,403.7	6,458.5	6,434.8	6,330.3	6,607.8	6,319.5	6,172.2
%CH	-1.5	-19.6	42.8	3.5	-1.5	-6.3	18.7	-16.3	-9.0
PAPER, PRINTING & PUBLISHING									
IDAHO	4,517.1	4,625.5	4,550.6	4,544.5	4,515.9	4,562.1	4,584.8	4,593.4	4,585.7
%CH	-2.3	10.0	-6.3	-0.5	-2.5	4.2	2.0	0.8	-0.7
NATIONAL (THOUSANDS)	1,930.7	1,939.7	1,943.7	1,951.3	1,963.3	1,957.0	1,947.0	1,933.0	1,926.1
%CH	-3.1	1.9	0.8	1.6	2.5	-1.3	-2.0	-2.8	-1.4
CHEMICALS									
IDAHO	2,351.5	2,280.8	2,406.3	2,335.3	2,285.4	2,279.1	2,394.6	2,469.3	2,391.8
%CH	-8.4	-11.5	23.9	-11.3	-8.3	-1.1	21.9	13.1	-12.0
NATIONAL (THOUSANDS)	1,099.0	1,103.3	1,107.7	1,109.3	1,109.0	1,103.3	1,092.0	1,078.0	1,067.3
%CH	-4.7	1.6	1.6	0.6	-0.1	-2.0	-4.0	-5.0	-3.9
OTHER NON-DURABLES									
IDAHO	1,300.0	1,200.0	1,133.3	1,266.7	1,233.3	1,233.3	1,180.0	1,240.5	1,256.2
%CH	-52.6	-27.4	-20.4	56.0	-10.1	0.0	-16.2	22.1	5.2
NATIONAL (THOUSANDS)	3,281.0	3,308.0	3,312.3	3,342.0	3,355.7	3,274.7	3,169.3	3,109.7	3,074.3
%CH	-8.0	3.3	0.5	3.6	1.6	-9.3	-12.3	-7.3	-4.5
MINING									
IDAHO	4,589.3	4,806.6	5,034.9	4,859.6	5,142.6	4,693.2	3,734.7	3,601.2	3,384.0
%CH	11.6	20.3	20.4	-13.2	25.4	-30.6	-59.9	-13.6	-22.0
NATIONAL (THOUSANDS)	1,012.0	1,060.3	1,113.0	1,033.3	1,178.7	1,201.0	1,200.3	1,155.3	1,131.6
%CH	-3.4	20.5	21.4	-25.7	69.3	7.8	-0.2	-14.2	-8.0
METAL MINING									
IDAHO	3,000.0	3,166.7	3,533.3	3,300.0	3,433.3	3,166.7	2,664.3	2,394.9	2,244.8
%CH	9.4	24.1	55.0	-23.9	17.2	-27.6	-49.9	-34.7	-22.8
OTHER MINING									
IDAHO	1,589.3	1,640.0	1,501.6	1,559.6	1,709.3	1,526.6	1,070.4	1,206.3	1,139.2
%CH	15.9	13.4	-29.7	16.4	44.3	-32.4	-75.8	61.3	-20.5

EMPLOYMENT

	1982:4	1983:1	1983:2	1983:3	1983:4	1984:1	1984:2	1984:3	1984:4

NON-DURABLE MANUFACTURING									
IDAHO	25,334.8	25,355.7	25,300.4	25,490.6	25,531.2	25,730.4	25,803.8	25,903.0	25,929.5
%CH	-4.3	0.3	-0.9	3.0	0.6	3.2	1.1	1.5	0.4
NATIONAL (THOUSANDS)	7,692.1	7,701.6	7,721.1	7,749.4	7,777.2	7,799.9	7,827.7	7,859.5	7,889.4
%CH	-0.5	0.5	1.0	1.5	1.4	1.2	1.4	1.6	1.5
FOOD PROCESSING									
IDAHO	17,094.3	17,117.7	17,072.5	17,247.6	17,226.1	17,352.0	17,383.0	17,433.4	17,393.6
%CH	-6.5	0.6	-1.1	4.2	-0.5	3.0	0.7	1.2	-0.9
NATIONAL (THOUSANDS)	1,628.1	1,624.6	1,622.2	1,622.6	1,623.5	1,624.2	1,624.7	1,624.9	1,624.8
%CH	-1.3	-0.9	-0.6	0.1	0.2	0.2	0.1	0.1	0.0
CANNED, CURED, & FROZEN									
IDAHO	11,071.3	11,081.5	11,125.2	11,357.4	11,412.6	11,484.8	11,532.7	11,617.4	11,654.2
%CH	-4.9	0.4	1.6	8.6	2.0	2.6	1.7	3.0	1.3
OTHER FOOD PROCESSING									
IDAHO	6,023.0	6,036.2	5,947.3	5,890.2	5,813.5	5,867.2	5,850.3	5,816.0	5,739.3
%CH	-9.3	0.9	-5.8	-3.8	-5.1	3.7	-1.1	-2.3	-5.2
PAPER, PRINTING & PUBLISHING									
IDAHO	4,589.5	4,593.6	4,603.5	4,623.1	4,664.1	4,710.5	4,740.0	4,776.0	4,823.9
%CH	0.3	0.4	0.9	1.7	3.6	4.0	2.5	3.1	4.1
NATIONAL (THOUSANDS)	1,924.3	1,925.1	1,929.5	1,935.8	1,941.8	1,947.8	1,953.6	1,958.7	1,963.0
%CH	-0.4	0.2	0.9	1.3	1.2	1.2	1.2	1.1	0.9
CHEMICALS									
IDAHO	2,390.4	2,376.3	2,357.6	2,348.5	2,355.9	2,363.1	2,363.3	2,365.5	2,371.2
%CH	-0.2	-2.3	-3.1	-1.5	1.3	1.2	0.0	0.4	1.0
NATIONAL (THOUSANDS)	1,064.0	1,064.0	1,066.8	1,071.2	1,075.6	1,079.6	1,083.9	1,088.4	1,092.7
%CH	-1.2	0.0	1.0	1.7	1.7	1.5	1.6	1.7	1.6
OTHER NON-DURABLES									
IDAHO	1,260.7	1,268.0	1,266.8	1,271.4	1,285.2	1,304.9	1,317.5	1,328.1	1,340.8
%CH	1.5	2.3	-0.4	1.4	4.4	6.3	3.9	3.3	3.9
NATIONAL (THOUSANDS)	3,075.7	3,087.9	3,102.6	3,119.8	3,136.2	3,148.3	3,165.5	3,187.4	3,208.9
%CH	0.2	1.6	1.9	2.2	2.1	1.6	2.2	2.8	2.7
MINING									
IDAHO	3,328.0	3,295.9	3,282.8	3,286.2	3,303.9	3,318.2	3,334.8	3,355.0	3,384.0
%CH	-6.4	-3.8	-1.6	0.4	2.1	1.8	2.0	2.4	3.5
NATIONAL (THOUSANDS)	1,140.7	1,146.1	1,159.3	1,170.5	1,178.0	1,185.5	1,194.5	1,202.4	1,206.4
%CH	3.3	1.9	4.7	3.9	2.6	2.6	3.1	2.7	1.3
METAL MINING									
IDAHO	2,163.3	2,118.2	2,093.6	2,080.1	2,072.7	2,068.6	2,066.4	2,065.1	2,064.5
%CH	-13.8	-8.1	-4.6	-2.6	-1.4	-0.8	-0.4	-0.2	-0.1
OTHER MINING									
IDAHO	1,164.8	1,177.7	1,189.2	1,206.1	1,230.6	1,249.5	1,268.5	1,289.9	1,319.5
%CH	9.3	4.5	4.0	5.8	8.4	6.3	6.2	6.9	9.5

EMPLOYMENT

	1980:3	1980:4	1981:1	1981:2	1981:3	1981:4	1982:1	1982:2	1982:3
NON-MANUFACTURING									
IDAHO	272,586.4	277,712.5	279,127.8	274,282.4	270,632.1	272,314.7	272,195.0	267,716.4	265,848.6
%CH	-5.1	7.7	2.1	-6.8	-5.2	2.5	-0.2	-6.4	-2.8
NATIONAL (THOUSANDS)	70,027.0	70,429.7	70,773.3	70,858.3	71,041.3	71,062.0	70,977.7	70,996.7	71,265.7
%CH	-0.1	2.3	2.0	0.5	1.0	0.1	-0.5	0.1	1.5
CONSTRUCTION									
IDAHO	16,860.1	17,520.3	17,878.0	15,810.2	15,958.9	15,878.9	17,060.0	15,675.9	15,066.5
%CH	3.3	16.6	8.4	-38.8	3.8	-2.0	33.2	-28.7	-14.7
NATIONAL (THOUSANDS)	4,267.0	4,293.0	4,274.0	4,229.7	4,148.3	4,066.0	3,958.0	3,961.3	3,956.9
%CH	-5.2	2.5	-1.8	-4.1	-7.5	-7.7	-10.2	0.3	-0.4
FINANCE, INSURANCE, & REAL ESTATE									
IDAHO	22,977.8	23,281.5	23,278.2	23,284.4	22,844.3	23,315.9	23,451.3	23,212.0	23,065.6
%CH	-8.3	5.4	-0.1	0.1	-7.3	8.5	2.3	-4.0	-2.5
NATIONAL (THOUSANDS)	5,177.0	5,221.0	5,262.0	5,294.3	5,319.3	5,326.7	5,329.3	5,341.3	5,378.4
%CH	3.0	3.4	3.2	2.5	1.9	0.6	0.2	0.9	2.8
TRANS., COMMUNICATION & PUBLIC UTILITIES									
IDAHO	19,783.9	19,914.1	20,269.5	19,887.0	19,522.5	19,155.7	19,304.0	19,459.3	19,246.0
%CH	-7.8	2.7	7.3	-7.3	-7.1	-7.3	3.1	3.3	-4.3
NATIONAL (THOUSANDS)	5,120.3	5,130.0	5,145.7	5,161.0	5,172.3	5,146.7	5,113.3	5,090.3	5,067.4
%CH	-2.6	0.8	1.2	1.2	0.9	-2.0	-2.6	-1.8	-1.8
TRADE									
IDAHO	80,079.2	79,630.7	80,364.7	79,253.9	79,742.1	79,810.9	79,607.5	78,705.2	78,434.0
%CH	-2.6	-2.2	3.7	-5.4	2.5	0.3	-1.0	-4.5	-1.4
NATIONAL (THOUSANDS)	20,266.7	20,319.3	20,413.3	20,547.0	20,643.3	20,600.3	20,651.7	20,628.3	20,777.3
%CH	0.1	1.0	1.9	2.6	1.9	-0.8	1.0	-0.5	2.9
SERVICES									
IDAHO	59,124.2	61,258.4	60,664.0	60,124.7	59,535.5	59,603.0	59,078.2	57,930.4	57,432.3
%CH	-2.2	15.2	-3.8	-3.5	-3.9	0.5	-3.5	-7.5	-3.4
NATIONAL (THOUSANDS)	17,962.3	18,179.3	18,392.7	18,517.7	18,658.7	18,807.3	18,867.3	18,949.7	19,043.8
%CH	4.1	4.9	4.5	3.0	3.1	3.2	1.3	1.8	2.0
STATE & LOCAL GOVERNMENT									
IDAHO	56,416.1	58,817.9	58,497.0	58,071.7	55,613.2	57,767.2	57,261.3	56,550.7	56,616.4
%CH	-5.6	18.1	-2.2	-2.9	-15.9	16.4	-3.5	-4.9	0.5
EDUCATION	29,888.4	32,471.8	32,006.6	32,076.2	30,233.0	32,601.3	31,559.9	31,286.4	31,399.5
%CH	-11.3	39.3	-5.6	0.9	-21.1	35.2	-12.2	-3.4	1.5
OTHER	26,527.7	26,346.1	26,490.4	25,995.5	25,380.2	25,165.9	25,701.4	25,264.3	25,216.9
%CH	1.2	-2.7	2.2	-7.3	-9.1	-3.3	8.8	-6.6	-0.7
NATIONAL (THOUSANDS)	13,388.7	13,426.7	13,393.7	13,299.7	13,151.3	13,160.0	13,119.7	13,141.0	13,177.8
%CH	0.9	1.1	-1.0	-2.8	-4.4	0.3	-1.2	0.7	1.1
FEDERAL GOVERNMENT									
IDAHO	12,755.9	12,483.0	13,141.5	12,991.0	12,272.9	12,089.6	12,649.4	12,513.5	12,565.1
%CH	-31.5	-8.3	22.8	-4.5	-20.3	-5.8	19.8	-4.2	1.7
NATIONAL (THOUSANDS)	2,833.0	2,800.0	2,789.0	2,775.7	2,769.3	2,754.0	2,738.0	2,729.3	2,732.5
%CH	-20.8	-4.6	-1.6	-1.9	-0.9	-2.2	-2.3	-1.3	0.5

EMPLOYMENT

	1982:4	1983:1	1983:2	1983:3	1983:4	1984:1	1984:2	1984:3	1984:4

NON-MANUFACTURING									
IDAHO	265,015.5	263,851.8	263,603.4	265,107.2	265,669.2	267,131.4	269,735.0	272,683.8	275,645.4
%CH	-1.2	-1.7	-0.4	2.3	0.9	2.2	4.0	4.4	4.4
NATIONAL (THOUSANDS)	71,642.5	72,007.9	72,396.5	72,842.2	73,310.1	73,788.6	74,328.7	74,899.4	75,479.4
%CH	2.1	2.1	2.2	2.5	2.6	2.6	3.0	3.1	3.1
CONSTRUCTION									
IDAHO	14,661.2	14,555.4	14,588.7	14,804.4	15,019.9	15,244.0	15,462.6	15,734.5	16,087.9
%CH	-10.3	-2.9	0.9	6.0	6.0	6.1	5.9	7.2	9.3
NATIONAL (THOUSANDS)	3,956.3	3,954.4	3,953.7	3,971.9	4,010.6	4,057.6	4,112.3	4,178.8	4,248.0
%CH	-0.1	-0.2	-0.1	1.9	4.0	4.8	5.5	6.6	6.8
FINANCE, INSURANCE, & REAL ESTATE									
IDAHO	22,877.5	22,771.1	22,698.6	22,664.4	22,718.5	22,798.9	22,876.3	23,013.3	23,191.9
%CH	-3.2	-1.8	-1.3	-0.6	1.0	1.4	1.4	2.4	3.1
NATIONAL (THOUSANDS)	5,414.8	5,450.4	5,488.7	5,532.1	5,579.7	5,626.8	5,677.5	5,732.0	5,789.4
%CH	2.7	2.7	2.8	3.2	3.5	3.4	3.6	3.9	4.1
TRANS., COMMUNICATION & PUBLIC UTILITIES									
IDAHO	19,152.6	19,094.8	19,056.7	19,052.6	19,100.5	19,183.5	19,290.7	19,405.1	19,559.8
%CH	-1.9	-1.2	-0.8	-0.1	1.0	1.7	2.3	2.4	3.2
NATIONAL (THOUSANDS)	5,055.8	5,047.6	5,049.1	5,061.4	5,074.4	5,087.3	5,108.0	5,131.4	5,154.6
%CH	-0.9	-0.6	0.1	1.0	1.0	1.0	1.6	1.8	1.8
TRADE									
IDAHO	79,037.9	78,753.4	78,748.5	79,607.1	79,994.8	80,352.4	81,547.5	82,849.7	83,981.1
%CH	3.1	-1.4	0.0	4.4	2.0	1.8	6.1	6.5	5.6
NATIONAL (THOUSANDS)	20,952.1	21,115.3	21,263.1	21,419.3	21,574.2	21,729.2	21,902.7	22,081.8	22,262.0
%CH	3.4	3.2	2.8	3.0	2.9	2.9	3.2	3.3	3.3
SERVICES									
IDAHO	57,130.6	56,907.7	56,944.6	57,513.7	57,797.6	58,355.7	59,182.2	60,118.8	61,058.0
%CH	-2.1	-1.6	0.3	4.1	2.0	3.9	5.8	6.5	6.4
NATIONAL (THOUSANDS)	19,169.9	19,312.0	19,475.2	19,662.5	19,858.4	20,053.0	20,260.4	20,471.0	20,683.7
%CH	2.7	3.0	3.4	3.9	4.0	4.0	4.2	4.2	4.2
STATE & LOCAL GOVERNMENT									
IDAHO	56,140.6	55,707.8	55,506.7	55,305.7	54,743.9	54,819.6	54,845.2	54,902.5	54,962.6
%CH	-3.3	-3.0	-1.4	-1.4	-4.0	0.6	0.2	0.4	0.4
EDUCATION	31,265.2	31,040.7	30,947.7	30,795.6	30,518.0	30,573.9	30,607.9	30,647.1	30,692.3
%CH	-1.7	-2.8	-1.2	-2.0	-3.6	0.7	0.4	0.5	0.6
OTHER	24,875.4	24,667.1	24,559.0	24,510.1	24,225.9	24,245.7	24,237.3	24,255.4	24,270.2
%CH	-5.3	-3.3	-1.7	-0.8	-4.6	0.3	-0.1	0.3	0.2
NATIONAL (THOUSANDS)	13,209.7	13,225.1	13,236.4	13,239.0	13,235.8	13,238.2	13,246.1	13,257.9	13,273.9
%CH	1.0	0.5	0.3	0.1	-0.1	0.1	0.2	0.4	0.5
FEDERAL GOVERNMENT									
IDAHO	12,644.4	12,731.4	12,827.4	12,925.7	13,020.1	13,109.1	13,219.2	13,332.2	13,448.7
%CH	2.5	2.8	3.1	3.1	3.0	2.8	3.4	3.5	3.5
NATIONAL (THOUSANDS)	2,743.1	2,757.0	2,771.1	2,785.5	2,798.9	2,811.0	2,827.3	2,844.0	2,861.2
%CH	1.6	2.0	2.1	2.1	1.9	1.7	2.3	2.4	2.4

MISCELLANEOUS

	1980:3	1980:4	1981:1	1981:2	1981:3	1981:4	1982:1	1982:2	1982:3
FEDERAL TRANSFERS TO STATE & LOCAL GOVERNMENTS									
IDAHO(MILLIONS)	286.3	296.6	306.9	317.2	328.3	340.1	315.0	315.1	319.9
%CH	14.7	15.2	14.6	14.1	14.7	15.2	-26.4	0.2	6.2
NATIONAL(MILLIONS)	87,700.0	91,800.0	90,200.0	90,600.0	86,300.0	83,600.0	83,000.0	83,100.0	84,400.4
%CH	2.3	20.1	-6.8	1.8	-17.7	-11.9	-2.8	0.5	6.4
SELECTED IMPLICIT PRICE DEFLATORS									
GROSS NATIONAL PRODUCT	1.792	1.838	1.900	1.932	1.974	2.016	2.037	2.064	2.099
%CH	9.2	10.7	14.2	6.8	9.0	8.8	4.3	5.3	7.0
CONSUMPTION EXPENDITURES	1.807	1.849	1.892	1.926	1.964	1.998	2.022	2.040	2.074
%CH	8.8	9.6	9.6	7.4	8.1	7.1	4.9	3.6	6.9
FOOD	1.930	2.003	2.033	2.052	2.089	2.101	2.134	2.155	2.193
%CH	16.7	16.0	6.1	3.8	7.4	2.3	6.4	4.0	7.2
GAS & OIL	3.386	3.437	3.741	3.812	3.731	3.785	3.639	3.352	3.570
%CH	-7.3	6.2	40.4	7.8	-8.2	5.9	-14.6	-28.0	28.7
HOUSING	1.673	1.713	1.760	1.794	1.834	1.878	1.911	1.940	1.970
%CH	9.5	10.0	11.4	8.0	9.2	9.9	7.2	6.2	6.3
CONSUMER PRICE INDEX - ALL ITEMS	2.492	2.568	2.636	2.686	2.762	2.814	2.836	2.868	2.930
%CH	7.6	12.8	11.0	7.8	11.8	7.8	3.2	4.6	9.0
SELECTED INTEREST RATES									
FEDERAL FUNDS	9.837	15.853	16.570	17.780	17.577	13.587	14.227	14.513	11.472
PRIME	11.610	16.733	19.213	18.930	20.323	17.013	16.270	16.500	15.256
NEW HOME MORTGAGE	12.977	13.607	14.307	15.093	15.967	15.347	15.720	15.170	14.989
COMM. BANK SAVING & TIME DEPOSIT	6.640	7.880	9.310	9.400	9.980	10.206	10.017	10.255	10.290
SELECTED PRODUCTION INDICES									
FOOD	1.492	1.512	1.523	1.518	1.514	1.524	1.512	1.497	1.515
%CH	1.5	5.5	2.8	-1.2	-1.0	2.7	-3.1	-3.9	4.9
MINING	1.303	1.353	1.422	1.374	1.458	1.437	1.417	1.302	1.252
%CH	-6.9	16.1	22.2	-12.8	26.8	-5.6	-5.6	-28.7	-14.5
NON-FERROUS METALS	1.083	1.212	1.259	1.223	1.285	1.134	1.054	0.930	0.928
%CH	-31.3	56.7	16.6	-11.0	22.0	-39.5	-25.2	-39.5	-1.0
AGRICULTURAL CHEMICALS	2.398	2.343	2.401	2.387	2.516	2.356	2.207	2.161	2.071
%CH	29.3	-8.9	10.3	-2.3	23.4	-23.1	-23.0	-8.0	-15.7
NON-ELECTRICAL MACHINERY	1.594	1.636	1.683	1.720	1.757	1.683	1.594	1.512	1.483
%CH	-4.4	10.9	12.0	9.1	8.9	-15.7	-19.6	-19.1	-7.4
CONSTRUCTION & ALLIED EQUIPMENT	1.467	1.451	1.556	1.581	1.604	1.543	1.420	1.281	1.226
%CH	-22.3	-4.4	32.2	6.6	5.9	-14.4	-28.2	-33.8	-16.0
ELECTRICAL MACHINERY	1.667	1.726	1.766	1.796	1.812	1.753	1.712	1.710	1.707
%CH	-10.9	15.1	9.6	6.9	3.5	-12.3	-9.0	-0.5	-0.6
ELECTRONIC COMPONENTS	2.905	2.944	3.068	3.126	3.133	3.144	3.172	3.165	3.164
%CH	-24.7	5.6	17.9	7.7	0.9	1.4	3.6	-0.8	-0.1
LUMBER & WOOD PRODUCTS	1.185	1.229	1.264	1.250	1.184	1.064	1.025	1.063	1.103
%CH	53.4	15.6	11.9	-4.4	-19.5	-34.9	-13.7	15.5	15.7

MISCELLANEOUS

	1982:4	1983:1	1983:2	1983:3	1983:4	1984:1	1984:2	1984:3	1984:4
FEDERAL TRANSFERS TO STATE & LOCAL GOVERNMENTS									
IDAHO(MILLIONS)	309.5	294.2	285.8	273.6	253.6	253.8	252.2	250.9	249.7
%CH	-12.3	-18.3	-11.0	-16.0	-26.2	0.3	-2.4	-2.1	-1.8
NATIONAL(MILLIONS)	81,700.5	77,700.9	75,501.1	72,301.4	67,027.3	67,102.9	66,727.0	66,390.1	66,106.7
%CH	-12.2	-18.2	-10.9	-15.9	-26.1	0.5	-2.2	-2.0	-1.7
SELECTED IMPLICIT PRICE DEFLATORS									
GROSS NATIONAL PRODUCT	2.130	2.160	2.191	2.223	2.260	2.294	2.330	2.368	2.410
%CH	6.0	5.9	5.8	6.0	6.9	6.1	6.5	6.6	7.3
CONSUMPTION EXPENDITURES	2.103	2.137	2.167	2.198	2.230	2.265	2.300	2.334	2.369
%CH	5.7	6.5	5.8	5.8	5.9	6.6	6.2	6.2	6.1
FOOD	2.229	2.265	2.292	2.320	2.352	2.389	2.427	2.463	2.499
%CH	6.8	6.5	5.0	4.9	5.7	6.6	6.4	6.1	6.1
GAS & OIL	3.596	3.658	3.714	3.766	3.816	3.926	4.000	4.043	4.077
%CH	2.8	7.1	6.2	5.8	5.4	12.0	7.7	4.4	3.4
HOUSING	1.999	2.029	2.059	2.090	2.123	2.156	2.190	2.224	2.258
%CH	6.0	6.1	6.0	6.3	6.4	6.4	6.5	6.3	6.3
CONSUMER PRICE INDEX - ALL ITEMS	2.973	3.023	3.067	3.113	3.160	3.213	3.267	3.320	3.374
%CH	6.0	6.9	6.0	6.1	6.2	6.9	6.9	6.7	6.6
SELECTED INTEREST RATES									
FEDERAL FUNDS	11.885	13.887	13.324	12.918	13.412	13.735	12.681	11.384	10.647
PRIME	14.987	15.988	15.335	14.891	15.106	15.525	14.616	13.582	12.672
NEW HOME MORTGAGE	15.109	14.405	14.196	13.795	13.703	13.731	13.347	13.036	13.009
COMM. BANK SAVING & TIME DEPOSIT	10.280	10.264	10.265	10.164	10.197	10.235	10.313	10.243	10.260
SELECTED PRODUCTION INDICES									
FOOD	1.526	1.532	1.539	1.557	1.567	1.581	1.591	1.605	1.618
%CH	2.9	1.6	1.8	4.8	2.6	3.6	2.6	3.4	3.3
MINING	1.270	1.285	1.307	1.326	1.337	1.349	1.362	1.374	1.381
%CH	4.7	4.7	7.0	6.2	3.4	3.5	3.9	3.7	2.1
NON-FERROUS METALS	0.943	3.969	1.015	1.070	1.102	1.115	1.156	1.186	1.210
%CH	6.8	11.5	20.1	23.5	12.5	4.8	15.6	10.8	8.3
AGRICULTURAL CHEMICALS	2.095	2.120	2.163	2.206	2.245	2.286	2.324	2.364	2.403
%CH	4.9	6.3	6.9	8.1	7.4	7.3	7.0	6.9	6.9
NON-ELECTRICAL MACHINERY	1.482	1.529	1.579	1.635	1.676	1.718	1.758	1.800	1.837
%CH	-0.2	13.2	13.8	15.0	10.4	10.3	9.6	9.8	8.5
CONSTRUCTION & ALLIED EQUIPMENT	1.221	1.254	1.289	1.334	1.365	1.390	1.418	1.450	1.481
%CH	-1.7	11.2	11.6	15.0	9.5	7.5	8.4	9.3	8.8
ELECTRICAL MACHINERY	1.748	1.784	1.831	1.889	1.932	1.969	2.012	2.041	2.075
%CH	9.9	8.6	10.9	13.3	9.5	7.8	9.0	5.8	6.9
ELECTRONIC COMPONENTS	3.342	3.460	3.585	3.736	3.863	3.961	4.076	4.123	4.213
%CH	24.5	14.9	15.2	18.0	14.3	10.6	12.0	4.8	9.0
LUMBER & WOOD PRODUCTS	1.161	1.171	1.203	1.241	1.262	1.266	1.284	1.320	1.357
%CH	22.8	3.5	11.6	13.1	7.1	1.1	5.9	11.8	11.8

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THE DRI U. S. MACRO MODEL

The Data Resources, Inc. (DRI) Macroeconomic Model of the U.S. economy, with some 850 equations and 450 stochastic endogenous variables, is the largest of the current generation of econometric models of the U.S. economy. It undergoes continual revision and refinement, with the most recent version (1981C) available as of July 1981.

The DRI Model is a simultaneous model. Solution for some unknowns required values for other unknowns. All such equations are solved through a process of iterative approximations.

Conceptually, the DRI model can be divided into six broad sectors:

- I Final GNP Demand
- II Incomes
- III Financial
- IV Employment, Unemployment, Labor Force
- V Production, Investment Capital Stock
- VI Prices, Wages, Productivity

In a very general sense, the model can be viewed in the framework of the circular flow of income and output presented in basic economics textbooks. Consumers and producers are linked through the product markets with prices, financial variables, productivity and demographic variables determining what and how much is produced and earned. A brief description of each of the sectors listed above follows:

- I. The final demand sector includes equations for consumer spending on housing, automobiles, several other categories of durable and non-durable goods, and several service categories. Among the important determinants of demand in these categories are demographic factors, financial market conditions, debt service burden, past and present income, relative prices, unemployment, and inflation.

Another major element of final demand is investment, which can be divided into fixed investment and inventories. Fixed investment is determined by such factors as utilization rates; capital stock; relative prices; financial market conditions; corporate balance sheet conditions; and government policy, especially tax and environmental policies. Investment in inventories is heavily influenced by such factors as past and present sales levels, vendor performance and utilization rates.

The government sector is divided into federal government demand and state and local government demand. The federal component can be divided into expenditures and receipts, with most of the expenditure side being exogenous: defense and non-defense purchases, grants-in-aid, and transfers to foreigners. Transfers to persons and interest payments are endogenous with the former dependent on demographic factors - unemployment rate and labor force - and the latter dependent on interest rates and the levels of federal expenditures and receipts.

Federal receipts are endogenous and divided into personal taxes, corporate taxes, indirect business taxes and contributions for social insurance. Primary determinants include tax rates and tax bases - personal income, profits, etc.

The state and local sector can also be divided into expenditure and receipt components, with receipts depending primarily on federal grants and various tax rates and bases - personal income, profit, consumption levels, etc. State and local expenditures depend on income factors and the costs of borrowing.

The foreign sector of the DRI model mainly considers trade balance and enters into the circular flow of demand and incomes. Some specific impacts on the production sector are also included.

- II. The income sector follows the national income accounting approach. Since GNP and gross national income must be equal, DRI estimates all components of national income except wage and salary disbursements, which are treated as a residual. Important endogenous components include profits, capital consumption allowances, dividends, interest payments, and taxes. Personal savings are also treated as a residual after taxes, consumer spending, transfers to foreigners, and consumer interest payments have been deducted from personal income.

The importance of the income sector derives from the impact the income distribution has on the mix of consumption and investment.

- III. The financial sector is the largest of the six broad categories defined above. It can be divided into the following conceptual categories:

- A. Monetary and reserve aggregates - includes M1 through M5 and reserve requirements on demand and time deposits;
- B. Interest rates - includes mortgage rates, consumer installment rates, federal funds rates, government bill and bond rates, municipal bond rates, corporate bond rates, and various savings and time deposit rates;
- C. Loans - includes consumer, business and mortgage loans at commercial banks;
- D. Flow of funds - balance sheet (assets and liabilities) broken out by households, non-financial corporations, commercial banks, and non-bank financial institutions;
- E. Stock market, new issues of government debt, inflation expectations, and other miscellaneous financial indicators.

These categories interact very heavily with one another and provide important input in other sectors of the model. Also, the financial sector provides important policy levers within the model which make it more robust in its ability to capture the impacts of

federal monetary policy.

- IV. Industry employment is derived from industry output using Cobb-Douglas production functions. Long-run trends in productivity and cyclical sensitivity are taken into account on an industry by industry basis.

Labor force is estimated using demographic, stage of cycle, and participation rate variables.

Unemployment by demographic characteristic (females, blacks, married males, adults, teenagers, etc.) is based on demographic, stage of cycle, and GNP composition variables.

- V. Industrial Output and Investment is the second largest component of the DRI model. The production equations, of which there are over 75, form the basis for the investment, capital stock, and industry employment equations.

In general, final demand determines the level of activity in the final product industries. An input-output matrix then translates final demand into the derived demand faced by the intermediate processing and crude materials industries.

Industry investment is derived from industry output using neo-classical capital stock adjustment equations. Capital stock is simply last period's capital stock plus investment less depreciation.

- VI. The price and wage sector includes equations for wholesale price indices, GNP price deflators, components of the CPI, wages and productivity.

Wholesale price indices contain variables representing materials and labor input costs and demand levels. WPI's then enter into GNP price deflators in appropriate mixes, and also feed into CPI components.

Input costs terms are determined by measures of market "tightness" including vendor performance and capacity utilization. The resulting relative prices then enter back into other sectors of the model, especially final demand equations.

THE IDAHO ECONOMIC MODEL

The Idaho Economic Model (IEM) is an income and employment based model of Idaho's economy. The Model consists of a simultaneous system of linear regression equations which are estimated using quarterly data. The primary exogenous variables are obtained from the DRI¹ U.S. Macro Model. Endogenous variables are forecast at the statewide level of aggregation.

The focal point of the IEM is Idaho personal income, which is given by the identity:

personal income = wage and salary payments + other labor
income + farm proprietor's income + non-farm proprietor's
income + property income + transfer payments - contribution for
social insurance + residence adjustment.

With the exception of farm proprietor's income and wage and salary payments, each of the components of personal income is estimated stochastically by a single equation. Farm proprietor's income and wage and salary payments each comprise sub-models containing a system of stochastic equations and identities.

The farm proprietor sector is estimated using a highly aggregated sub-model consisting of equations for crop marketing receipts, livestock marketing receipts, production expenses, inventory changes and imputed income, and corporate farm income; transfer payments to farmers are given exogenously. Two concepts of farm proprietor income are used: YENTAF@ID includes inventory changes and imputed rent, while YENTAFREAL@ID has them removed.

At the heart of the IEM is the wage and salary sector, which includes stochastic employment equations for 21 Standard Industrial Classification (SIC) employment categories. Average annual wages are estimated for several broad employment categories and are combined with employment to arrive at aggregate wage and salary payments. Conceptually, the employment equations are divided into basic and domestic activities. The basic employment equations are specified primarily as functions of national demand and supply variables, while domestic employment equations are specified primarily as functions of state specific-demand variables.

Other sectors of the IEM include a demographic component which is used to forecast births, deaths, net migration and total population; and the labor force participation rate which is driven by population and employment. a comprehensive listing of IEM equations and variables follows. A detailed flowchart of the IEM and a set of regression results are available from the editors upon request; see Preface.

The output of the IEM (i.e., the forecast values of the endogenous variables) is determined by the parameters of the equations and the values of exogenous variables over the forecast period.

¹ Data Resources, Inc.

The values of equation parameters are determined by the historic values of both the exogenous and endogenous variables. IEM equation parameters are estimated using the technique of ordinary least squares.

Parameter values for a particular equation (given the same specification) may change as a result of revisions in the historic data or a change in the time interval of the estimation. In general, parameter values should remain relatively constant over time, with changes reflecting changing structural relationships.

While the equation parameters are determined by structural relationships and remain relatively fixed, the forecast period exogenous variable values are more volatile determinants of the forecast values of endogenous variables. They are more often subject to change as expectations regarding future economic behavior change, and they are more likely to give rise to debate over appropriate values. As mentioned above, the forecast period values of exogenous variables are primarily obtained from the DRI U.S. Macro Model.

Since the output of the IEM depends in large part upon the output of the DRI model, an understanding of the DRI model, its input assumptions and its output is very useful in evaluating the results of the Idaho Economic Model's forecast. The assumptions and output of the DRI model are discussed in the section on Forecast Outlook.

IDAHO ECONOMIC MODEL

EQUATIONS

EAHEM@ID: EQUATION

1>AHM@ID=JRWSSNF*($<4.44926> + <0.495724> * \&\&$
2>MOVAVG(8 TO 1,EM@ID)/MOVAVG(8 TO 1,EM))

EBIR@ID: EQUATION

1>BIR@ID=21.0*NR@ID

EBTX72@ID: EQUATION

1>BTX72@ID=(WSD@ID+VENTEAF@ID+YPPROP@ID+VENTAFREAL@ID)/PC

EDEA@ID: EQUATION

1>DEA@ID= $<2.99068> + <0.448149> * NR@ID \ 1 * (DEA \ 1 / N \ 1)$

EDS&LAVG@ID: EQUATION

1>DS&LAVG@ID=DS&LAVG@ID\1+ $<59.8594> * \&\&$

2>(YPADJ@ID*((YD-C-INTC)/YP)) + $<13.3946> * \&\&$

3>((RMS&L-RMGBS6NS)*DMMC782*YPADJ@ID*((YD-C-INTC)/YP)) + $<17.2233> * \&\&$

4>((RMGBS6NS-RMMONMARKNS)*(1-DMMC782)*YPADJ@ID*((YD-C-INTC)/YP))

EEC@ID: EQUATION

1>EC@ID=E16@ID+E15&17@ID

EEDOM@ID: EQUATION

1>EDOM@ID=ENM@ID-EMI@ID-EC@ID

EEEA@ID: EQUATION

1>EEA@ID=EMD@ID+EMN@ID+ENM@ID

EEEA@ID@US: EQUATION

1>EEA@ID@US=EEA@ID/(EEA*1000)

EEFIR@ID: EQUATION

1>EFIR@ID= $<4.97154> + <0.0563867> * MOVAVG(2 TO 1,EEA@ID) \&\&$

2>- $<5.61461> * D721774$

EEG@ID: EQUATION

1>EG@ID=EGSL@ID+EGF@ID

EEGF@ID: EQUATION

1>EGF@ID=EGF*($<-2.44465> + <1699.44> * NR@ID / N$)

EEGSL@ID: EQUATION

1>EGSL@ID=EGSLED@ID+EGSLO@ID

EEGSLED@ID: EQUATION

1>EGSLED@ID=NR@ID*($<26.6592> + <1.61791> * D78 + <0.0371159> * \&\&$

2>VCOLGF@ID/PC)

EEGSLO@ID: EQUATION

1>EGSLO@ID= $<10.4947> + <0.0229878> * VCOLGF@ID / JRWSSNF + <2.46214> * \&\&$

2>BTX72@ID + $<40151.4> * ((1 / TIME ** 2) * (1 - D72742))$

EEM@ID: EQUATION

1>EM@ID=EMN@ID+EMD@ID

EEMD@ID: EQUATION

1>EMD@ID=E24@ID+E33@ID+E32&34@ID+E353637@ID+EMDQ@ID

EEMDQ@ID: EQUATION

1>EMDQ@ID=EEA@ID*($<-0.00324892> + <0.00139544> * \&\&$

2>MOVAVG(2 TO 1,YEF72@NR@ID) + $<0.00161894> * D7278$)

EEMI@ID: EQUATION

1>EMI@ID=E10@ID+EMIO@ID

EEMIO@ID: EQUATION

1>EMIO@ID= $<0.920593> - <0.0110787> * EXPPRDF / WPI01 - <0.534084> * \&\&$

2>D721774 + $<0.305487> * (JQIND287 + JQIND284)$

```

EEMN@ID: EQUATION
1>EMN@ID=E20@ID+E26&27@ID+E28@ID+EMNO@ID

EEMNO@ID: EQUATION
1>EMNO@ID=EXP( <-3.35314> + <0.748056>*LOG(CNO/PC) - <0.554610>)* &&
2>LOG(TEMP@WPIO3/WPI)*LOG(CNO/PC) + <0.409443>*D721802)

EENM@ID: EQUATION
1>ENM@ID=EMI@ID+EC@ID+ER@ID+ET@ID+EFIR@ID+ESV@ID+EGSL@ID+&&
2>EGF@ID

EER@ID: EQUATION
1>ER@ID= <4.47214> + <0.113902>)* &&
2>(MOVAVG(3 TO 1,EM@ID)+MOVAVG(3 TO 1, ET@ID)) - <0.828713>*D7278

EESV@ID: EQUATION
1>ESV@ID=EEA@ID*( <0.125179> + <0.000955310>)*ESV/EEA*EEA@ID &&
2> - <0.00826815>*D7278)

EET@ID: EQUATION
1>ET@ID= <-3.66338> + <18.4108>*MOVAVG(8 TO 1,YD72@ID) + <43.9377>)* &&
2>((CD72+CNO72)*MOVAVG(8 TO 1,YD72@ID) /MOVAVG(8 TO 1,YD72)) &&
3> - <2.21852>*PCNGAS/PC*MOVAVG(8 TO 1,YD72@ID) + <2.31235>)* &&
4>(YD72@ID-MOVAVG(8 TO 1,YD72@ID))

EEXPRDF@ID: EQUATION
1>EXPRDF@ID=EXPPRDF*( <14.2489> + <0.00105495>)* &&
2>(MOVAVG(3 TO 0,SAFLVSTKNS@ID)+ MOVAVG(3 TO 0,SAFCROPSNS@ID)))

EE10@ID: EQUATION
1>E10@ID= <1.68131> + <0.388798>*MOVAVG(2 TO 1,E10@ID) &&
2> - <0.374610>*D723732 - <0.284019>*D762773 - <0.384418>*D802804 &&
3> + <4649.81>*D79290*(1/TIME**2)

EE15&17@ID: EQUATION
1>E15&17@ID= <-2.58677> + <1.88413>*(MOVAVG(2 TO 0,HUATZCORR@ID)/4) &&
2> + <71.2004>*ICNR72@ID - <8.07585>)* &&
3>MOVAVG(8 TO 1,LABOR@ENG) *ICNR72@ID

EE16@ID: EQUATION
1>E16@ID=5.000

EE20@ID: EQUATION
1>E20@ID=E203@ID+E200@ID

EE200@ID: EQUATION
1>E200@ID= <4.73243> + <0.00366762>)* &&
2>MOVAVG(3 TO 1,SAFLVSTKNS@ID)/ MOVAVG(3 TO 1,WPIO1) + <0.0202408>)* &&
3>CNFOOD72 - <0.685302>*DE200@ID - <0.00270966>)* &&
4>MOVAVG(1 TO 0,LABOR@CAP)*MOVAVG(1 TO 0,CNFOOD72)

EE203@ID: EQUATION
1>E203@ID= <4.18206> + <0.00589946>)* &&
2>(MOVAVG(3 TO 0,SAFCROPSNS@ID))/MOVAVG(3 TO 0,WPIO1) &&
3> - <0.587645>*D203@ID - <0.00530950>)* &&
4>MOVAVG(8 TO 0,LABOR@ENG)*(MOVAVG(3 TO 0, SAFCROPSNS@ID)/ MOVAVG(3 TO 0,WPIO1)) &&
5> + <1.35037>*D801802 + <0.00533043>)*YD/PC

EE24@ID: EQUATION
1>E24@ID=E241&2@ID+E245&0@ID

EE241&2@ID: EQUATION
1>E241&2@ID= + <9.84536>*JQIND24 - <2.23727>)* &&
2>MOVAVG(8 TO 1,LABOR@ENG)*JQIND24 + <33026.9>*1/TIME**2 &&
3>-POSITIVE(( + <9.84536>*JQIND24 - <2.23727>)* &&
4>MOVAVG(8 TO 1,LABOR@ENG)*JQIND24 + <33026.9>*1/TIME**2 &&
5>-(17.7*E24)))

EE245&0@ID: EQUATION
1>E245&0@ID= <2.40633> + <7.82919>*JQIND379 - <0.590493>)* &&
2>MOVAVG(8 TO 0,LABOR@CAP)*JQIND379 - <3.00723>)* &&
3>MOVAVG(8 TO 0,JAHEADJEA@WPIO8)*JQIND379 + <0.0683019>)* &&
4>MOVAVG(1 TO 0,E15&17@ID)

EE26&27@ID: EQUATION
1>E26&27@ID=EXP( <0.296070> + <0.847565>)* &&
2>LOG(MOVAVG(2 TO 1,YEF@ID)/MOVAVG(2 TO 1,PC)) - <0.325426>)* &&
3>LOG(TEMP@WPIO9/WPI)*(LOG(MOVAVG(2 TO 1,YEF@ID)/MOVAVG(2 TO 1,PC))) &&
4> - <0.0517621>*D7278)

```


EE28@ID: EQUATION

1>E28@ID= <5.62226> + <0.445019>*EMIO@ID - <3.41850>*TEMP@WPIO6/WPI &&
2> - <3.68846E-05>*D28@ID*(TIME**2) - <0.318987>* &&
3>MOVAVG(8 TO 1,LABOR@ENG)

EE32834@ID: EQUATION

1>E32834@ID= <-1.24805> + <0.0810593>*MOVAVG(1 TO 0,EC@ID) &&
2> + <2.20483>*JQIND342@4

EE33@ID: EQUATION

1>E33@ID= <1.04305> + <0.154319>*MOVAVG(3 TO 2,E10@ID) &&
2> - <0.725177>*D772773

EE353637@ID: EQUATION

1>E353637@ID= <3.56085> + <0.0279685>*IFIXNR72 - <1.76148>* &&
2>LABOR@ENG + <1.19071>*D754 - <0.0211940>*D7275*TIME

EHUATZCORR@ID: EQUATION

1>HUATZCORR@ID= (<1.17911> - <0.0494966>* &&
2>((MOVAVG(3 TO 1,KQHOMES@ID)-MOVAVG(3 TO 1, KQHOMESTREND@ID))) &&
3> + <0.0344412>*MOVAVG(3 TO 0,MTGCOMNFHLB72@ID) - <0.858559>* &&
4>DHUSTS)

EICNR72@ID: EQUATION

1>ICNR72@ID=ICNR72*((MOVAVG(3 TO 0,REPLACE@INVESTC)*&&
2>MOVAVG(3 TO 0,EEA@ID)+(1-MOVAVG(3 TO 0,REPLACE@INVESTC))*&&
3>(EEA@ID-EEA@ID\4))/(MOVAVG(3 TO 0,REPLACE@INVESTC)*&&
4>(MOVAVG(3 TO 0,EEA)*1000)+(1-MOVAVG(3 TO 0,REPLACE@INVESTC))*&&
5>((EEA-EEA\4)*1000)))

EJAHEADJEA@WPIO8: EQUATION

1>JAHEADJEA@WPIO8=JAHEADJEA/WPIO8

EKQHOMES@ID: EQUATION

1>KQHOMES@ID=((1-.003)**.25)*KQHOMES@ID\1+&&
2>(1.022*1.09*1.01*.96)*(MOVAVG(2 TO 1,HUATZCORR@ID)/4)

EKQHOMESTREND@ID: EQUATION

1>KQHOMESTREND@ID=NR@ID*(<306.130> + <6.78602>*MOVAVG(6 TO 1,YPADJ@ID) &&
2> + <5.17975>*D7780)

ELABOR@CAP: EQUATION

1>LABOR@CAP=(JAHEADJEA*(WSS/WSD))/IPDENRCOST

ELABOR@ENG: EQUATION

1>LABOR@ENG=(JAHEADJEA*(WSS/WSD))/WPIO5

EMIG@ID: EQUATION

1>MIG@ID= EEA@ID*1000*(+ <1.09456E-05>*YEF@ID\1/YP\1 &&
2> + <2.18441E-08>*DCENSUS7174 - <1.86952E-08>*DCENSUS70)

EMTGCOMNFHLB72@ID: EQUATION

1>MTGCOMNFHLB72@ID=(MTGCOMS&LNEW/PICR)* &&
2>((DS&LAVG@ID/DS&LAVG@ID\1)/(DS&L/DS&L\1))

ENR@ID: EQUATION

1>NR@ID=NR@ID\1+BIR@ID/4000-DEA@ID/4000+MIG@ID/4

ENR@ID@US: EQUATION

1>NR@ID@US=NR@ID/N

EREPLACE@INVESTC: EQUATION

1>REPLACE@INVESTC=&&
2>(KNCNR72*(1-((1-DELTAICNR72)**.25)))/(ICNR72/4)

ERESADJ@ID: EQUATION

1>RESADJ@ID=WSD@ID*(<0.0157591> - <99.1433>*1/TIME**2 &&
2> + <0.00167919>*D7278)

ERNFWEMEC@ID: EQUATION

1>RNFWEMEC@ID=JRWSSNF*(<9483.20> + <0.00487262>* &&
2>(MOVAVG(3 TO 0,RWM@ID)*(1-POSITIVE(MOVAVG(6 TO 4,EM@ID)-EM@ID))))

ERUADJ: EQUATION

1>RUADJ=1-((EEA/N18@64)-0.00157002*(TIME-113))

ERUADJ@ID: EQUATION

1>RUADJ@ID=1-((EEA@ID/((NR@ID*1000)*(N18@64/N)))-.00176351*(TIME-113))

ERUADJNT: EQUATION
 1>RUADJNT=1-(EEA/N18@64)

ERUADJNT@ID: EQUATION
 1>RUADJNT@ID=1-(EEA@ID/((NR@ID*1000)*(N18@64/N)))

ERWC@ID: EQUATION
 1>RWC@ID= + <13888.1>*MOVAVG(1 TO 0,JRWSSNF) + <486.614>* &&
 2>(POSITIVE(MOVAVG(8 TO 4,EC@ID)- MOVAVG(1 TO 0,EC@ID)))

ERWM@ID: EQUATION
 1>RWM@ID=JAHEADJEA*(<3965.25> + <817.293>* &&
 2>MOVAVG(8 TO 1,EM@ID)/MOVAVG(8 TO 1,EM) + <73.6844>* &&
 3>(POSITIVE(MOVAVG(8 TO 4,EM@ID)-MOVAVG(1 TO 0,EM@ID)))

ESAFCROPSNS@ID: EQUATION
 1>SAFCROPSNS@ID= <44.9372> + <25.4957>*SAFWHTNS + <49.2497>* &&
 2>SAFCORNNS + <6.26106>*PSUGAR1INS + <337.730>*Q4

ESAFLVSTKNS@ID: EQUATION
 1>SAFLVSTKNS@ID= <11.3457> + <10.7441>*SAFCTL&CLVNS + <8.51365>* &&
 2>SAFDAIRYNS + <22.9639>*SAFHOGSNS - <34.9459>*Q1 - <30.3346>*Q2

ETWPER@ID: EQUATION
 1>TWPER@ID=WSD@ID*EXP(<-1.27669> + <0.506249>*LOG(TWPER/WSD))

EV@ID: EQUATION
 1>V@ID=EXP(<-0.577143> + <0.799340>* &&
 2>LOG(VGF@PER*MOVAVG(1 TO 0,NR@ID)/MOVAVG(1 TO 0,N)) + <0.142435>* &&
 3>LOG(VGSL@PER*(RUADJ@ID/RUADJ))

EVCOLGF@ID: EQUATION
 1>VCOLGF@ID=VAIDGF@SL*(<3.68683> - <0.660355>*D721794 + <2102.46>* &&
 2>1/TIME**2)

EWSD@ID: EQUATION
 1>WSD@ID=WSDM@ID+WSDNFEMEC@ID+WSDC@ID+WSDAF@ID

EWSDAF@ID: EQUATION
 1>WSDAF@ID=EXPRDF@ID*(<0.000123427> + <2.44214E-05>*D7677 &&
 2> - <1.24772E-05>*D73 - <3.76539E-06>*MOVAVG(6 TO 1,LABOR@CAP))

EWSDC@ID: EQUATION
 1>WSDC@ID=(RWC@ID*EC@ID)/1000000

EWSDM@ID: EQUATION
 1>WSDM@ID=((RWM@ID*EM@ID)/1000000)

EWSDNFEMEC@ID: EQUATION
 1>WSDNFEMEC@ID=RNFWEMEC@ID*(EEA@ID-EC@ID-EM@ID)/1000000

EYAFCORP@ID: EQUATION
 1>YAFCORP@ID= + <2.64546E-05>* &&
 2>(MOVAVG(3 TO 0,SAFLVSTKNS@ID)+MOVAVG(3 TO 0,SAFCROPSNS@ID))

EYAFINV&R@ID: EQUATION
 1>YAFINV&R@ID= <-0.0989831> + <0.145756>*CPIU

EYD72@ID: EQUATION
 1>YD72@ID=YP72@ID*(YD/YP)

EYD72@NR@ID: EQUATION
 1>YD72@NR@ID=YD72@ID/NR@ID

EYEF@ID: EQUATION
 1>YEF@ID=YPADJ@ID-YENTAFREAL@ID

EYEF72@NR@ID: EQUATION
 1>YEF72@NR@ID=YEF@ID/PC/NR@ID

EYENTAF@ID: EQUATION
 1>YENTAF@ID=MOVAVG(3 TO 0,SAFCROPSNS@ID)/1000+&&
 2>MOVAVG(3 TO 0,SAFLVSTKNS@ID)/1000+MOVAVG(3 TO 0,SAFVG@ID)+&&
 3>MOVAVG(3 TO 0,YAFINV&R@ID)-MOVAVG(3 TO 0,YAFCORP@ID)-&&
 4>MOVAVG(3 TO 0,EXPRDF@ID)/1000

EYENTAFREAL@ID: EQUATION

1>YENTAFREAL@ID=MOVAVG(3 TO 0,SAFCROPSNS@ID)/1000+88
2>MOVAVG(3 TO 0,SAFLVSTKNS@ID)/1000+MOVAVG(3 TO 0,SAFVG@ID)-88
3>MOVAVG(3 TO 0,EXPRDF@ID)/1000

EYENTEAF@ID: EQUATION

1>YENTEAF@ID=YENTNFADJ*(<0.00310140>+<.336413>*88
2>MOVAVG(2 TO 1,EEA@ID@US))

EYOL@ID: EQUATION

1>YOL@ID=WSD@ID*EXP(<-0.214552>+<.946644>*LOG(YOL/WSD))

EYP@ID: EQUATION

1>YP@ID=WSD@ID+YOL@ID+YPPROP@ID+YENTEAF@ID+88
2>YENTAF@ID+V@ID+RESADJ@ID-TWPER@ID

EYPADJ@ID: EQUATION

1>YPADJ@ID=WSD@ID+YOL@ID+YPPROP@ID+YENTEAF@ID+88
2>YENTAFREAL@ID+V@ID+RESADJ@ID-TWPER@ID

EYPADJ72@ID: EQUATION

1>YPADJ72@ID=YPADJ@ID/PC

EYPPROP@ID: EQUATION

1>YPPROP@ID=PC*(<0.0413222> + <0.980350>* 88
2>(((YINTPER+DIV+YRENTADJ)/PC)*(MOVAVG(20 TO 1,YP@ID) /MOVAVG(20 TO 1,YP)) >)

EYP72@ID: EQUATION

1>YP72@ID=YP@ID/PC

ENDOGENOUS VARIABLES¹

AHEM@ID	Average hourly earnings in manufacturing
BIR@ID	Number of births
BTX72@ID	Tax base in 1972 dollars
DEA@ID	Number of deaths
DS&LAVG@ID	Two month moving average, deposits in savings & loans
EC@ID	Employment in construction
EDOM@ID	Employment in all domestic sectors
EEA@ID	Employment except agriculture
EEA@ID&US	Ratio of employment, Idaho/U.S.
EFIR@ID	Employment in finance, insurance and real estate
EG@ID	Employment in government
EGF@ID	Employment in federal government
EGSL@ID	Employment in state and local government
EGSLED@ID	Employment in state and local government, education
EGSLO@ID	Employment in state and local government, non-education
EM@ID	Employment in manufacturing
EMD@ID	Employment in durable manufacturing
EMDO@ID	Employment in other durable manufacturing
EMI@ID	Employment in mining
EMIO@ID	Employment in mining except metal mining
EMN@ID	Employment in non-durable manufacturing
EMNO@ID	Employment in other non-durable manufacturing
ENM@ID	Employment in non-manufacturing
ER@ID	Employment in communications, trans. & public utilities
ESV@ID	Employment in services
ET@ID	Employment in trade
EXPRDF@ID	Farm production expenses
E1@ID	Employment in metal mining
E15&17@ID	Employment in residential & commercial construction
E16@ID	Employment in heavy construction
E2@ID	Employment in food processing
E20@ID	Employ. in food processing except canned, cured, & frozen
E203@ID	Employment in food processing, canned, cured, & frozen
E24@ID	Employment in lumber and wood products
E241&2@ID	Employment in logging camps and sawmills
E245&0@ID	Employment in mobile homes and other wood products
E26&27@ID	Employment in paper, printing and publishing
E28@ID	Employment in chemicals and allied products
E32&34@ID	Employment in stone, clay & glass, & fabricated metals
E33@ID	Employment in primary metals
E35,36,37@ID	Employment in machinery & transportation equipment
HUATZCORR@ID	Housing starts
ICNR72@ID	Investment in non-res. construction, U.S., 1972 dollars

¹@ID signifies a variable specific to Idaho

JAHEADJEA@WPI08	Ration, labor costs/lumber prices, U.S.
KQHOMES@ID	Housing stock
KQHOMESTREND@ID	Housing trend in Idaho
LABOR@CAP	Labor/capital ratio
LABOR@ENG	Labor/energy ratio
MIG@ID	Net migration of persons
MIGCOMNFHLB72@ID	New mortgage commitments in Idaho, 1972 dollars
NR@ID	Resident population
NR@ID@US	Ratio of population, Idaho/U.S.
REPLACE@INVESTC	Proxy for capital stock replacement
RESADJ@ID-	Residence adjustment - personal income
RNFWEMEC@ID	Average annual wage except manufac., construc. and farm
RLADJ	Adjusted labor force non-participation, U.S.
RUADJ@ID	Adjusted labor force non-participation rate, Idaho
RUADJNT	Labor force non-participation rate, U.S.
RUADJNT@ID	Labor force non-participation rate, Idaho
RWC@ID	Average annual wage in construction
RWM@ID	Manufacturing wage rate
SAFCROPSNS@ID	Sales at farm of crops, not seasonally adjusted
SAFLVSTKNS@ID	Sales at farm of livestock, not seasonally adjusted
TWPER@ID	Contributions for social insurance
VE@ID	Transfer payments
VOOLGF@ID	Federal grants-in-aid to Idaho governments
WSD@ID	Wage and salary disbursement
WSDAF@ID	Wage and salary disbursements, at farm
WSDC@ID	Wage and salary disbursements, construction
WSDM@ID	Wage and salary disbursements, manufacturing
WSDNFEMEC@ID	Wage & salary disbursements, except farm, mfg., & const.
YAFCORP@ID	Corporate farm income
YAFINV&R@ID	Inventory value changes & imputed rent & income at farm
YD72@ID	Disposable income in 1972 dollars
YD72@NR@ID	Per capita disposable income in 1972 dollars
YEF@ID	Non-farm personal income
YEF72@NR@ID	Per capita non-farm income in 1972 dollars
YENTAF@ID	Net farm proprietors' income, w/YAFINV&R@ID
YENTAFREAL@ID	Net farm proprietors' income, w/o YAFINV&R@ID
YENTEAF@ID	Non-farm proprietors' income
YOL@ID	Other labor income
YP@ID	Total personal income, w/YAFINV&R@ID
YPADJ@ID	Total personal income, w/o YAFINV&R@ID
YPADJ72@ID	Total personal income in 1972 dollars
YPPROP@ID	Divident, interest and rent income
YP72@ID	Total personal income, w/YAFINV&R@ID, in 1972 dollars

EXOGENOUS VARIABLES

C	Personal consumption expenditures - total
CD72	Personal consumption expenditures - durable goods - 1972 dollars
CDTP10	Net change in consumer installment credit
CNFOOD72	Personal consumption expenditures - food - 1972 dollars
CNO72	Personal consumption expenditures - other nondurable goods - 1972 dollars
CPIU	Consumer price index - all
DEA	Number of deaths
DELTAICNR72	Depreciation rate - real nonresidential construction
DIV	Dividends
DS&L	Savings capital at savings and loan associations
DECENSUS70	
DECENSUS7174	
DE200@ID	
DHUSTS	
DMC782	
DSIC72	
D203@ID	
D28@ID	
D721774	
D721794	
D723732	
D72742	
D72575	
D7278	
D751772	
D754	
D761771	
D762773	
D772773	
D78	
D79290	
D801802	
D802804	
EEA	Non-farm employment, U.S.
EGF	Federal government employment, U.S.
EM	Employment in manufacturing
ESV	Total employment - services
EXPPRDF	Farm production expenses, U.S.
E24	Total employment - lumber and products
ICNR72	Gross investment in private nonresidential structures, 1972 dollars
IFIXNR72	Gross fixed private nonresidential investment 1972 dollars
INTC	Interest paid by consumers to business
IPDENRCOST	Rental price of capital - producer's durable equip.
JAHEADHEA	Index of hourly earnings of production workers -private
JQIND24	Industrial production index - lumber & wood products
JQIND284	Industrial production index - soaps and toiletries
JQIND287	Industrial production index - agricultural chemicals
JQIND342@4	Industrial production index - hardware, plumbing, structural metal

These are dummy variables used in regression equations for the purpose of capturing the impacts of discrete economic or non-economic events such as SIC code changes, strikes, plant openings or closures, unusual weather conditions, etc.

JQIND379	Industrial production index - mobile homes
JFWSSNF	Index of compensation per hour - non-farm business sector
KNCNR72	Net capital stock - nonresidential structures - 1972 dollars
MTGCOMS&LNEW	Mortgage commitments - new - insured savings and loan associations
N	Population, U.S.
N18@64	Population between 18 and 64 years of age, U.S.
PC	Implicit price deflator - personal consumption
PONGAS	Implicit price deflator - gasoline and oil
PICR	Implicit price deflator - private residential const.
PSUGAR11NS	Price of sugar
Q1	Seasonal dummy for first quarter
Q2	Seasonal dummy for second quarter
Q4	Seasonal dummy for fourth quarter
RMGBS6NS	Average yield on U.S. government 6-month bills
RMMONMARKNS	Rate on money market fund shares
RMS&L	Effective interest rates paid by savings and loan associations
SAFCORNNS	Sales at farm - corn
SAFCTL&CLVNS	Sales at farm - cattle and calves
SAFDAIRYNS	Sales at farm - dairy products
SAFHOGSNS	Sales at farm - hogs
SAFVG@ID	Government transfer payments to farmers in Idaho
SAFWHNS	Sales at farm - wheat
TEMP@WP103	Input cost term for WP103 - textile products and apparel
TEMP@WP106	Input cost term for WP106 - chemicals & allied products
TEMP@WP109	Input cost term for WP109 - pulp, paper, & allied prod.
TIME	Time 1947:1 - 1
TWPER	Personal contributions for social insurance, U.S.
VAIDGF@SL	Federal grants-in-aid to state & local government
VFG@PER	Federal transfer payments to persons
VGSL@PER	Wholesale price index (seasonally adjusted)
WPI	Wholesale price index - farm products
WPI01	Wholesale price index - fuels & related products
WPI05	Wholesale price index - lumber and wood products
WSD	Wage and salary disbursements, U.S.
WSS	Compensation of employees
YD	Disposal income
YD72	Disposable income - 1972 dollars
YEVINFADJ	Non-farm proprietors' income with inventory valuation adjustments and capital consumption adjustments
YINTPER	Personal interest income
YOL	Other labor income
YP	Personal income
YRENTADJ	Rental income of persons with capital consumption adjustment



IDAHO

ECONOMIC FORECAST

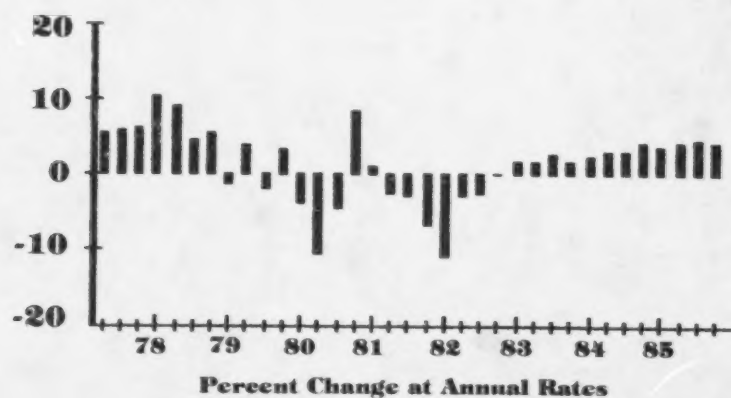
John V. Evans, Governor

Division of Financial Management

Vol. IV, No. 3
Autumn 1982

- Forecast 1982-1987
- Idaho Mining Outlook
- Alternative Forecasts
- Ten Year Outlook

Idaho Non-Agricultural Employment



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STATE OF IDAHO

The

IDAHO ECONOMIC FORECAST

1982—1987

JOHN V. EVANS
GOVERNOR

PREFACE

The Idaho economy has undergone rapid change in the last decade, with evidence that further change is taking place today. The State's economy shifted from the slow-growth, agrarian condition that we knew in the 1960's to a pattern of growth so rapid that by the mid-1970's Idaho was one of the fastest growing states in the U.S. in population, employment, and income. Within the last two years, however, there is evidence that the rate of growth has declined, with per capita income growth falling to well below the national average and population growth slowing down.

Probably the most notable feature of Idaho's economy is its heavy reliance on the State's natural resource base. Major industries in the State include agriculture, forestry, mining, and tourism, all of which are directly tied to the resource base. In addition, over 60% of the employment in manufacturing is in lumber, wood products, and food processing - all indirectly tied to the resource base.

This heavy dependence on natural resources, while providing Idahoans with rich and diversified employment and recreational opportunities, has also brought challenges for a changing economy and changing society. These challenges include competition between agriculture and the expanding population for water and energy, the environmental impacts of the economically important mining and forestry industries, and the pressures of a rapidly expanding population on the State's natural and economic resources. In addition, rapidly expanding employment opportunities have brought improved incomes but, at the same time, threaten to reduce the high quality of life enjoyed by residents and non-residents alike.

Much of the burden of dealing with and resolving the problems faced in the State will fall on the public sector. In order to deal effectively with these and similar problems and conflicts, public and private decisions need to be made with as thorough an understanding of the structure and workings of the State's economy as possible. It is to this end the Idaho Economic Model and this publication are directed.

The Idaho Economic Model was developed under a grant from the Pacific Northwest Regional Commission. The Division of Financial Management has been joined by the Department of Health and Welfare, the Idaho Transportation Department, and the Department of Employment in the development and maximum utilization of the State's forecast system.

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Vol. IV, No. 3

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INTRODUCTION

The forecast of the Idaho economy presented in this issue is based upon the November 1982 forecast of the national economy by Data Resources, Incorporated. It is similar to the previous forecast with two primary exceptions. First, this forecast incorporates estimates of non-agricultural employment for 1981 and the first half of 1982 benchmarked to March 1982 by the Idaho Department of Employment. The revised estimates show a more pronounced drop in the number of workers in the first half of 1982 than the original data measured. So, in the first half of 1982, Idaho had several thousand fewer employees than originally estimated. The second difference in the two forecast is that the last forecast projected a mild upturn beginning last quarter. This expectation has been delayed by a couple of months in this forecast. The employment revisions imply that we are working with a smaller base, but the movement of this forecast is much the same as the August forecast: slow, unspectacular growth beginning early next year and slowly gaining momentum. One piece of information which became available after this forecast was completed is that real GNP was flat in the third quarter rather than rising by 0.8% as originally estimated.

FEATURES

The feature article of this issue of the Idaho Economic Forecast is a reprint of the remarks made by Jack Peterson, Executive Director and Chief Economist of the Idaho Mining Association to the Governor's Symposium on the Idaho Economy on November 8, 1982. Mr. Peterson provides an extensive background of Idaho's mining industry and discusses the outlook for that industry in light of national economic trends.

This Forecast also includes a ten-year outlook for the Idaho economy. This issue provides a projection of the primary Idaho economic concepts to 1992, together with a comparison of the previous ten years. The long term forecast is a regular feature, published once a year in the Autumn issue.

In addition, this publication provides summaries of two alternative forecasts which employ different assumptions from the control or baseline forecast. Although the control forecast uses assumptions with the highest probability of occurrence, it is useful to examine the difference in outcome for various Idaho and national variables when those assumptions are changed. The alternatives presented in this issue are a W-recession alternative, in which the economy declines through mid-1983 before starting to recover, and an optimistic alternative, in which there is a more favorable economic environment due to a lower inflation rate.

Historical and forecast detail is provided annually from 1970 to 1987 and quarterly from the third quarter of 1981 through 1985. The solution of the Idaho Economic Model for this forecast begins in the third quarter of 1982 with farm data forecast for all of 1982. A description of both the DRI Macro Model and the Idaho Economic Model is provided in the Appendix, together with a listing of variables and equations.

SUBSCRIPTIONS

Subscription rates for the Idaho Economic Forecast are as follows:

Idaho State Government.....	No charge
Idaho Resident.....	\$7.50/yr.
Non-Idaho Resident.....	\$15.00/yr

To subscribe, send appropriate payment to:

Idaho Economic Forecast
Division of Financial Management
Room 122, Statehouse
Boise, ID 83720

Idaho Economic Model
Idaho and U. S. Summary
November 1982

Idaho Economic Model

National Variables Forecast by Data Resources, Inc.

	1982			1983						
	II	III	IV	I	II	III	81	82	83	84
Idaho Employment										
Non-Agricultural Employment	311.223	309.171	309.057	310.303	311.449	313.359	327.857	310.754	312.422	319.955
Manufacturing Employment	47.838	48.381	47.777	48.072	48.309	48.866	52.715	47.983	48.614	50.090
Lumber and Wood Products	12.054	12.502	12.420	12.548	12.673	12.739	15.094	12.227	12.701	13.015
Food Processing	16.758	16.874	16.575	16.616	16.678	16.714	16.810	16.724	16.669	16.686
Construction	13.279	12.749	12.762	12.774	12.738	12.794	16.799	13.230	12.806	13.270
Mining	3.859	3.009	2.968	3.009	3.121	3.271	5.212	3.484	3.212	3.880
Idaho Income										
Personal Income - Current Dollars	8.747	8.675	8.727	9.023	9.273	9.469	8.574	8.699	9.353	10.236
Personal Income - 72 Dollars	4.288	4.179	4.159	4.240	4.301	4.333	4.408	4.226	4.307	4.452
Per Capita Personal Income	9.008	8.905	8.929	9.202	9.425	9.592	8.944	8.945	9.490	10.247
Real Per Capita Personal Income	4.416	4.289	4.255	4.324	4.372	4.389	4.598	4.345	4.370	4.457
Wage and Salary Payments	4.887	4.862	4.953	5.133	5.283	5.389	4.887	4.906	5.322	5.829
Dividends, Interest and Rent	1.725	1.767	1.780	1.826	1.858	1.892	1.539	1.735	1.880	2.049
Other Labor Income	0.429	0.433	0.445	0.468	0.489	0.506	0.416	0.433	0.496	0.575
Transfer Payments	1.303	1.334	1.348	1.355	1.365	1.407	1.174	1.309	1.389	1.488
Miscellaneous Idaho Variables										
Housing Starts (Thousands)	1.785	1.910	2.085	2.265	2.481	2.717	3.464	1.883	2.591	3.241
Hourly Earnings in Manufacturing (\$)	8.479	8.733	8.930	9.113	9.274	9.439	8.238	8.628	9.357	10.083
Average Annual Wage (\$ Thousands)	15.703	15.725	16.025	16.541	16.962	17.199	14.904	15.788	17.033	18.216
Population	0.971	0.974	0.977	0.981	0.984	0.987	0.959	0.973	0.985	0.999
Selected National Variables										
Real GNP (\$ Trillions)	1.478	1.481	1.489	1.501	1.513	1.529	1.502	1.480	1.523	1.590
Final Sales (\$ Trillions)	3.061	3.092	3.156	3.217	3.280	3.360	2.917	3.085	3.326	3.670
Unemployment Rate	9.467	9.900	10.302	10.210	9.872	9.709	7.625	9.609	9.798	8.618
Consumer Price Index	2.868	2.921	2.941	2.981	3.022	3.066	2.724	2.891	3.045	3.230
Hourly Compensation Index	1.526	1.550	1.573	1.600	1.625	1.652	1.436	1.538	1.639	1.757
Prime Rate	16.500	14.717	11.720	12.422	12.362	11.589	18.870	14.802	12.226	12.154
Mortgage Rate, New Homes	15.710	15.457	14.715	14.056	13.592	13.438	14.743	15.307	13.577	12.855
Housing Starts (Millions)	0.952	1.114	1.149	1.226	1.338	1.474	1.100	1.034	1.393	1.675

Income concepts except as noted in billions of dollars

Division of Financial Management
11/30/82

Idaho Economic Model
Idaho and U. S. Summary - Annual Percentage Change
November 1982

Idaho Economic Model

National Variables Forecast by Data Resources, Inc.

	1982			1983						
	II	III	IV	I	II	III	81	82	83	84
Idaho Employment										
Non-Agricultural Employment	-3.0	-2.6	-0.1	1.6	1.5	2.5	-0.7	-5.2	0.5	2.4
Manufacturing Employment	-0.8	4.6	-4.9	2.5	2.0	4.7	-1.2	-9.0	1.3	3.0
Lumber and Wood Products	4.1	15.7	-2.6	4.2	4.1	2.1	-2.2	-19.0	3.9	2.5
Food Processing	1.7	2.8	-6.9	1.0	1.5	0.9	-1.2	-0.5	-0.3	0.1
Construction	-22.0	-15.0	0.4	0.4	-1.1	1.7	-3.7	-21.2	-3.2	3.6
Mining	-21.5	-63.0	-5.3	5.6	15.8	20.7	11.6	-33.2	-7.8	20.8
Idaho Income										
Personal Income - Current Dollars	4.6	-3.3	2.4	14.3	11.5	8.7	11.7	1.5	7.5	9.4
Personal Income - 72 Dollars	1.0	-9.8	-1.9	8.0	5.9	3.0	2.9	-4.1	1.9	3.4
Per Capita Personal Income	3.1	-4.5	1.1	12.8	10.1	7.3	10.0	0.0	6.1	8.0
Real Per Capita Personal Income	-0.5	-11.0	-3.1	6.6	4.5	1.6	1.3	-5.5	0.6	2.0
Wage and Salary Payments	-2.9	-2.1	7.7	15.4	12.2	8.3	9.3	0.4	8.5	9.5
Dividends, Interest and Rent	14.4	10.1	3.1	10.7	7.2	7.4	21.4	12.8	8.3	9.0
Other Labor Income	2.8	3.4	12.2	21.9	19.2	14.7	9.3	4.2	14.5	15.9
Transfer Payments	18.1	9.8	4.3	2.2	2.8	13.1	13.9	11.5	6.1	7.2
Miscellaneous Idaho Variables										
Housing Starts (Thousands)	7.9	31.0	42.1	39.2	44.1	43.8	-40.1	-45.6	37.6	25.1
Hourly Earnings in Manufacturing (\$)	5.4	12.5	9.3	8.5	7.2	7.3	9.3	4.7	8.5	7.8
Average Annual Wage (\$ Thousands)	0.1	0.6	7.9	13.5	10.6	5.7	10.0	5.9	7.9	6.9
Population	1.4	1.3	1.3	1.3	1.3	1.3	1.6	1.5	1.3	1.4
Selected National Variables										
Real GNP (\$ Trillions)	2.1	0.8	2.1	3.4	3.1	4.5	1.9	-1.5	2.9	4.4
Final Sales (\$ Trillions)	4.1	4.0	8.6	8.0	8.1	10.0	10.4	5.8	7.8	10.3
Unemployment Rate	9.5	19.6	17.3	-3.5	-12.6	-6.5	6.4	26.0	2.0	-12.0
Consumer Price Index	4.6	7.6	2.7	5.6	5.7	5.9	10.3	6.1	5.3	6.1
Hourly Compensation Index	6.4	6.4	6.0	7.0	6.4	7.0	9.6	7.1	6.6	7.2
Prime Rate	5.8	-36.7	-59.8	26.2	-1.9	-22.8	23.6	-21.6	-17.4	-0.6
Mortgage Rate, New Homes	9.8	-6.3	-17.9	-16.8	-12.6	-4.4	16.5	3.8	-11.3	-5.3
Housing Starts (Millions)	14.5	87.3	13.5	29.6	41.7	47.4	-15.3	-6.0	34.7	20.3

Income concepts except as noted in billions of dollars

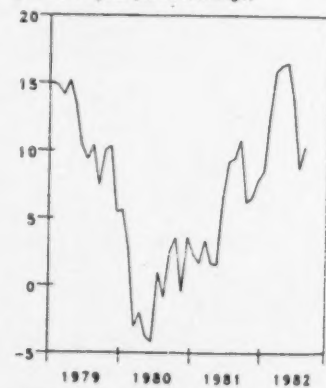
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NATIONAL FORECAST DESCRIPTION

The past three months have been a continuation of what has become a familiar pattern: signals which point toward a future recovery but widespread evidence of a currently stagnant economy. Real gross national product did not grow at all during the third quarter of 1982 after a first quarter drop of 5.1% and a second quarter increase of 2.1%. This forecast assumed a 0.8% rise in real GNP for the third quarter, a measure which has recently been revised downward by the Department of Commerce to show no increase. Three-fourths through 1982, real GNP is almost 1.5% below the 1981 average. The economy has not shown many concrete signs of improvement thus far into the fourth quarter and seems to remain flat. The recent history of several significant economic sectors is detailed below.

- Inventories remain too high as sales are dropping faster than production. Manufacturing and trade inventories rose by \$700 million in September, which was the fourth consecutive month of increase while manufacturing and trade sales in September dropped for the fourth consecutive month. Automobile manufacturers contributed significantly to that buildup as auto sales have not met anticipations. These manufacturers are now slashing production plans.
- Industrial production has been soft as manufacturers attempt to eliminate the inventory problem mentioned above. Production is likely to decline again in the current quarter, a result in part from September declines in net new orders for durable goods and shipments. If so, production will have declined for five consecutive quarters and will be below the low levels experienced in the 1974-1975 recession for several industries.
- October was a disappointing month for automobile sales after a surge in September. Despite several factors conducive to auto sales including the new model year, marketing incentives, declining interest rates and maturing All Savers certificates - vehicle buying intentions are at low levels with consumers remaining cautious. Recent evidence shows that consumers are substituting maintenance for new car purchases as vehicle parts sales show increasing strength. Although part of the blame for low auto sales may be placed on consumer caution, auto prices have risen by over 14% in each of the last two years, far above the rate of inflation.
- One sector that has shown some promise recently is housing. Housing starts increased by 14.4% in September and although a significant portion of that increase was due to government contracts for

Vehicle Parts Sales at New Car Dealers
(3-month moving average,
year-over-year percent change)

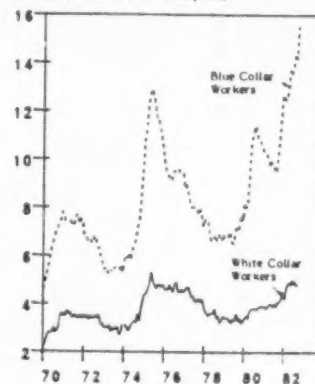


Source: Data Resources, Inc.

multi-family starts, single-family starts rose by 6.6%. Also, permits were up by over 17% in October. The percentage of September respondents to the University of Michigan survey of consumer attitudes who believe that now is a good time to buy a home increased by eight percentage points. Rates on mortgages for existing homes fell almost three percentage points to 15.3% in September and new home mortgages have dropped to 14.99%.

- The economy's weakness is fully reflected in the labor market data. November's unemployment rate reached a new postwar high of 10.8% and initial unemployment insurance claims remain around 600,000. Also, the number of discouraged workers who are not looking for work because they believe they cannot find any rose for the fifth consecutive quarter to 1.6 million. The uneven distribution of the unemployment rate shows September unemployment of adult males at 9.6% and females at 8.3%. Also the disparity between blue-collar and white-collar unemployment continued to grow. Blue-collar unemployment reached 15.6% in September while white-collar unemployment remained at 4.8%.

Unemployment Rates for Blue and White Collar Workers (Percent, SA)



Source: Data Resources, Inc.

- Recent price changes demonstrate the effect of a weak economy, a world oil surplus, and record grain harvests. From September 1981 to September 1982, the consumer price index rose by only 4.9% compared with a 12.9% annual increase from December 1978 to December 1980. An important component of that improvement has been a slowdown of increases in home ownership costs which grew by 4.2% over the past year compared with 18.1% increases in 1979 and 1980.

THE CONSUMER REMAINS CAUTIOUS

The primary reason for believing that economic activity would begin to improve last quarter was the expected consumption boost resulting from the July 1st tax cut and Social Security benefit increases. That boost did not occur as demonstrated by the 0.6% drop in final sales and meager 1.4% increase in total personal consumption during that quarter. One reason for that disappointing outcome was that real disposable income grew by only 1.3% in the first three quarters of 1982 as the tax cut was largely offset by a decline in wage and salary income. It appears that the July 1st tax cut was far below the 10% level it was supposed to be. In fact, a Fidelity Bank study estimates the reduction to be closer to 3 to 4 percent. Also, approximately 29% of this year's gain in personal income resulted from interest earnings, which are more likely to remain in savings accounts than to be spent.

The present outlook for consumption is mixed. Positive characteristics include increases in discretionary income due to recent declines in the prices of necessities such as food and energy. Also, conventional measures of consumer debt show the consumer with very low debt burden in relation to income. In fact, a recent study by an economist at Shearson/American Express Inc. indicates that by adjusting consumer debt for credit card use as a cash substitute, the public appears to be carrying its lightest debt burden in relation to income in three decades. Typical measures of consumer debt combine revolving credit and conventional debt and may therefore overstate the consumer's debt load. A third positive element for increased consumption is declining business interest rates, which will eventually lead to lower rates on consumer installment loans.

With these positive signs, there remain a few negative signs in the outlook for consumption. One problem continues to be the low level of consumer confidence. Although attitudes concerning the economy twelve months from now are good, there is little confidence in the current situation. Also, a broader measure of consumer debt burden which includes physical assets and long-term debt shows a decline in real net worth and an increase in the debt burden. With lower increases in home prices, the consumer's ratio of debt to net worth has actually been increasing.

The result of this mixture of signals is that consumption is likely to support modest growth. Consumer durables will not improve strongly until confidence starts to improve while non-durables may show some strength due to moderating prices.

MODEST RECOVERY REMAINS LIKELY

Although there is widespread evidence of a weak economy, most forecasters still believe there will be an improvement beginning this quarter. A significant factor in expecting some increased activity is the decline in interest rates that has occurred in the past several months. Money market rates are down five to six percentage points and bond rates are three to four percentage points lower than mid-summer, primarily for the following reasons: commercial and industrial loan demand has been easing; the expected rate of inflation has fallen, allowing lenders to lower nominal interest rates; and the Federal Reserve has adopted a more lenient posture and allowed the money supply to grow at a rate higher than its upper target. High rates contributed to the recession by choking off investment and consumption activities and a reduction in rates should mean some return in those areas.

The interest rate decline of the past few months is likely to continue. Business credit demands are likely to remain weak even through the early stages of a recovery and should not apply much upward pressure on interest rates. Also, as lenders experience lower inflation rates, they will begin to incorporate lower expected inflation in their nominal rate calculation. It appears that the large volume of Treasury financing in 1982 was absorbed by the financial markets without pressure on interest rates because of the slack business credit demands. As recovery begins, government borrowing together with some business borrowing may lead

interest rates slightly higher, but it is possible that lower inflation and low business credit demand could prevent higher interest rates.

Although a recovery remains the most likely, it still depends heavily upon the consumer. If there is some increased consumption and housing activity, a mild recovery can begin, but business will not participate until well into 1983, as capital spending decisions for that year will be based upon this year's 16% decline in reported profits.